DOCUMENT RESUME

ED 201 727 CE 027 865

AUTHOR	Huffman, Ruth E.; And Others
TITLE	Consumer Economics, Book I [and] Book II. DECIDE.
INSTITUTION	Indiana State Dept. of Public Instruction, Indianapolis. Div. of Adult and Community Education.; Wayne Township Metropolitan School District, Indianapolis, Ind.
SPONS AGENCY	Office of Education (DHEW), Washington, D.C.
PUB DATE	79
NOTE	506p.; For related documents see CE 027 861-864 and ED 167 817.
EDRS PRICE	MF02/PC21 Plus Postage.
DESCRIPTORS	*Adult Basic Education; Advertising; Banking; *Competency Based Education; *Consumer Economics; *Consumer Education; Credit (Finance); Ecology; Home Furnishings; Housing Needs; Insurance; *Learning Modules; Money Management; Taxes; Teaching Methods
IDENTIFIERS	Learning for Everyday Living; *Life Skills; Project DECIDE

ABSTRACT

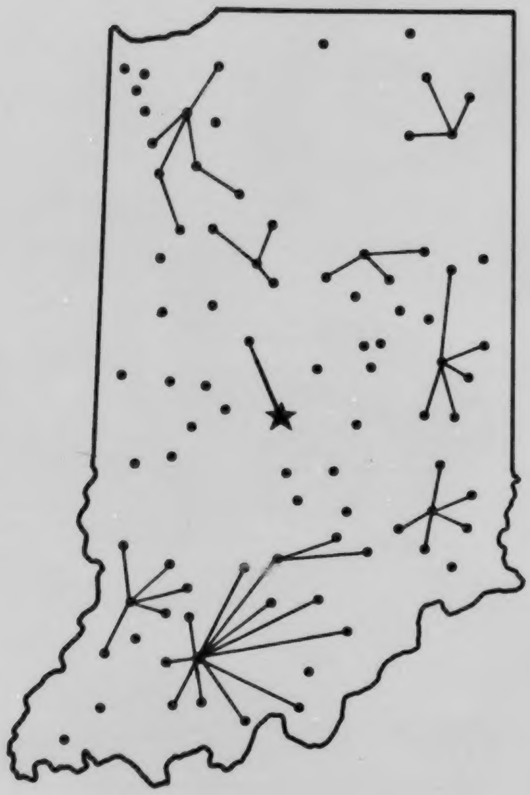
This module, Consumer Economics, is one of five from Project DECIDE, which was created to design, develop, write, and implement materials to provide adult basic education administrators, instructors, para-professionals, and other personnel with curriculum to accompany the Indiana Adult Basic Education Curriculum Guide, "Learning for Everyday Living." It contains 21 instructional packages, called Student Activity/Task Packets (SATs). Subjects of SATs in this module are money, weights and measures, sales and income tax, catalogs, consumer information, comparison shopping, packaging, advertising, restaurants, home furnishings, housing needs, car buying and maintenance, banking, credit, insurance, fraud, ecology, and mail and package delivery services. Each packet contains a teacher guide, a pre-post test and answer key, a student guide, student response booklet, instructional activities, and answer key. Each packet covers one or more related objectives. Other modules in the series include consumer economics, occupational knowledge, health, community resources, and government and law. (CT)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED201727

CE 027 865

DECIDE



U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

Linda D. Zeiler

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

Consumer Economics Book I

PURPOSE

The purpose of Project DECIDE has been to design, develop, write and implement materials to provide adult basic education administrators, instructors, para-professionals and other personnel, with curriculum to accompany the Indiana Adult Basic Education Curriculum Guide, *Learning for Everyday Living*. This is in keeping with the Adult Education Act (P.L. 91-230) Section 302 which states that adult education programs should provide opportunities "to enable all adults to acquire basic skills necessary to function in society."

PROJECT STAFF

Ruth E. Huffman, Project Director & Editor
Karen Martin, Research Associate & Author
Dorothy Toon, Staff Assistant & Secretary
John Upp, Counselor & Recruiter

© 1979, Indiana Department of Public Instruction.

The contents of this booklet were developed with financial assistance from the U.S. Office of Education, Department of Health, Education and Welfare. However, the contents do not necessarily represent the position or policy of that agency and a reader should not infer endorsement by the U.S. Government.

Published by
Central Publishing Co.
Indianapolis, Indiana

PREFACE

The diversity of the adult population in the United States today presents special challenges for developing programs of instruction. Widely varying socio-economic backgrounds, educational levels and special interests/needs affect the development of instructional programs, especially for the adult basic education student. Thus the major focus of Project DECIDE has been to develop learning materials in the area of competency-based education to help facilitate and to provide flexibility and diversity for teaching life skills identified through studies as being the most important in producing citizens who can lead productive lives in the complexity of today's society.

The generated materials are based on fifty-eight objectives as stated in *Learning for Everyday Living*; in the areas of consumer economics, occupational knowledge, health, community resources, and government and law. The competency-based packets are written especially for adult basic education students who are functioning at Level I, Phase I and II. Level I is comparable to reading grade levels 0-8. Phase I equals 0-4 reading grade level; Phase II equals 5-8 reading grade level. The curriculum has been developed and organized into instructional packages called Student Activity/Task Packets (SAT Packets). Each of the Student Activity/Task Packets contains a teacher guide, a pre/post test and answer key; a student guide, student response booklet, instructional activities and answer key. Each packet covers one or more related objectives and has as its base one or more of the activity/task statements verified in *Learning for Everyday Living*.

Where possible, additional and inexpensive commercial and non-copyrighted information has been incorporated into the learning materials. In addition, instructors and students can acquire pamphlets from local, state, and national governmental agencies, private business organizations and the local newspapers, to supplement the curriculum materials. The Guide should be studied and used to clarify, emphasize, and further benefit the instructional process. The materials can then be adapted for lower or higher functioning adult students. Independent, group work, one-to-one tutorial and the buddy system are suggested methods of instruction.

With these procedures, it can be safely assumed that enough pertinent information has been assembled to help an adult basic education student learn to succeed in every day living. These materials are such that classes and instruction are most effective when learning takes place in an informal and less traditional format or environment than the regular school approach. *The Student Interest Survey* provided will help the student and instructor define and identify the areas of need. The learner's goal will give direction to the specific objectives assigned. Having the SAT Packets placed into ring binders will allow flexibility in using and updating materials in the future. The six-volume set, Consumer Economics I, Consumer Economics II, Occupational Knowledge, Health, Community Resources and Government & Law, will be manageable on the classroom shelf.

We believe this material will provide adult educators with the basic core of materials needed to assist adult learners with the skills necessary to make life meaningful. Each one who has shared in the total process of this project has contributed a part of their own philosophy. The time devoted to researching, writing, testing, teaching, evaluating, re-writing and publishing the materials, represents two years of total commitment to, not only the project curriculum materials, but also to a special philosophy of Adult Basic Education that signifies progress for today and tomorrow.

Ruth E. Huffman
Director, Project DECIDE

ACKNOWLEDGEMENTS

Developing materials for use in adult basic education programs requires expertise, support and contributions from both the adult educators and adult learners for whom the materials have been developed; therefore, the project staff wishes to extend thanks to all of those who have provided us with invaluable assistance and service.

The Baker Adult Basic Education Center, located at West Central Joint Services, provided the base for field testing the Student Activity/Task Packets. This phase of the project insured the genuine quality of the curriculum materials. So special thanks is extended to Dr. Rolla Pruett, Director of West Central Joint Services; and the ABE staff, Lillian Commons, Betty McElroy, Punyavathi Moorthy, Rolla Pruett, Jr., and Mary Molter, who also served as staff assistant on the project to maintain continuity with the Baker Center.

In addition to the regular project staff, significant contributions have been made by others: Gayle Bush, research writer and author; Dorothy Murphy, editorial assistant and advisor.

This has been a two-year project and we extend thanks to those staff members who served during the first year: Suzanne West, Dora McQuade and Cathy Masterson; Rosemarie Dewey and Barbara Archer for technical assistance.

Adult Basic Education Directors/Coordinators have assisted us greatly by hosting dissemination workshops for Project DECIDE. Our special thanks to:

Vickie Hobbs, Shelbyville; Barbara Bevelhimer, Logansport;
Sondra Cox, Portage

An innovative project is not complete without on-going and summative evaluation. Our appreciation is extended to those who have made this valuable service possible.

Edward Robbins, Indiana University
Purdue University
Indianapolis, Indiana

Linda E. Schmidt
Champaign Regional Office
of Education
Champaign, Illinois

A project of this dimension requires extensive cooperation between all agencies involved. The Indiana Department of Public Instruction, Division of Adult & Community Education has strongly supported and encouraged our efforts. So sincerely we say thanks to: Mary Williams, Director; Linda Zeiler, Supervisor of Special Projects; Timothy Wells, Reading and Special Needs Consultant; and Theodore McKnight, Curriculum Consultant.

The Metropolitan School District of Wayne Township has served as the agent responsible for funds and personnel for the project. Credit is due: Dr. Edward Bowes, Superintendent; Ralph Chandler, Ass't. to the Superintendent; and the business office personnel who have devoted time and effort to Project DECIDE.

CONSUMER ECONOMICS

GOAL: To manage a family economy and to demonstrate an awareness of sound purchasing principles.

CE-1		Counting and Converting Money
CE-2		Converting Weights and Measures
CE-3	Part 1	Sales and Income Tax
	Part II	Sales and Income Tax
CE-4		Money Management
CE-5		Catalogs
CE-6		Consumer Information
CE-7-8		Cost Factors and Comparison Shopping
CE-9		Packaging/Cost of Goods
CE-10		Advertising/Selling
CE-11		Restaurants/Dining Out
CE-12		Home Furnishings
CE-13		Housing Needs
CE-14		Car Buying and Maintenance
CE-15		Care and Upkeep of Belongings
CE-16		Banking
CE-17		Credit
CE-18	Part I	Life and Property Insurance
	Part II	Car Insurance
CE-19		Fraud
CE-20	Part 1 Level 1	Population
	Part 2 Level 1	Natural Resources
	Part 3 Level 1	Ecology
	Part 1 Level 2	Population
	Part 2 Level 2	Natural Resources
	Part 3 Level 2	Ecology
CE-21		Mail and Package Delivery Services

CE-1: COUNTING AND CONVERTING MONEY

TEACHER‘S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will be able to count and convert currency/money.

INTRODUCITON:

This SAT Packet contains very basic information about writing numerals and using United States coins and currency. It also contains some brief information about the history of money. Since it may be used with ESL students and students who cannot make change, teacher guidance and assistance is most important. The adult learner who needs information that is this fundamental will benefit most with one-to-one tutorial instruction. There are opportunities in the packet for the student to make use of coins, currency, and cash register receipts. This realistic approach will be enhanced by teacher encouragement and involvement.

ADAPTABILITY:

The packet is adaptable for use with group work or the buddy system.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase I.

MATHEMATICAL SKILLS:

The student will be working with problems related to conversion of money. A basic knowledge of addition and subtraction will need to be taught as the student proceeds through the unit.

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or an oral assessment. There are twenty questions on the test. The student should score 100% to test out of the packet. He/she should also score 100% upon completion of the packet.

MATERIALS NEEDED TO COMPLETE THIS UNIT:

Coins of various kinds and paper money.

ADDITIONAL MATERIALS NEEDED:

If the student needs additional materials for this subject, the following is recommended:

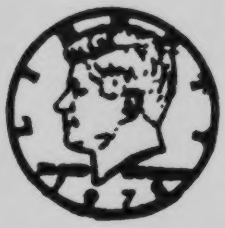
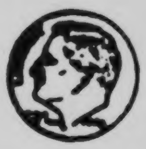
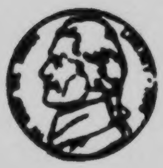
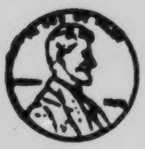
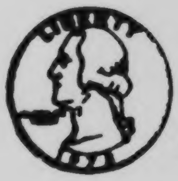
COINS and CURRENCY, Counting
Your Money Series,
Frank E. Richards
Publishing Company

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Recognizes symbols and abbreviations
  - Identifies monetary units
  - Notes details
- Writing
  - Charts money equivalents
- Speaking, Listening, Viewing
  - Organizes information
  - Presents information
- Interpersonal Relations
  - Interacts with others while making change
- Computation
  - Combines different coins/currency to arrive at a given total
  - Makes change

CE-1
COUNTING AND CONVERTING MONEY
PRE/POST TEST

Name each of these coins:

1. ____________ 2. ____________ 3. ____________ 4. ____________ 5. ____________

Write the name of each number:

17 29 105

1. ____________________ 2. ____________________ 3. ____________________

86 342

4. ______________________________ 5. ______________________________

Fill in the blanks:

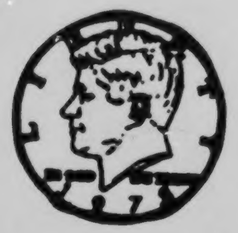
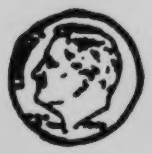
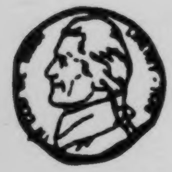
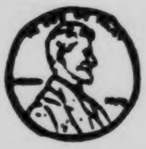
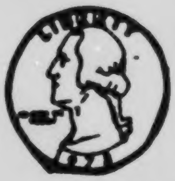
1) 1 quarter = ____________ nickels
2) 2 nickels = ____________ pennies
3) 5 dimes = ____________ half dollar(s)
4) $27.00 = ____________ ten dollar bills, ____________ five dollar bills, and ____________ one dollar bills.
5) $14.00 = ____________ five dollar bills, and ____________ one dollar bills.

Figure the change and fill in the blanks:

1) 32¢ out of 50¢ leaves ____________ change.
2) 57¢ out of 75¢ leaves ____________ change.
3) $1.87 out of $2.00 leaves ____________ change.
4) $12.80 out of $15.00 leaves ____________ change.
5) $8.50 out of $20.00 leaves ____________ change.

CE-1
COUNTING AND CONVERTING MONEY
PRE/POST TEST ANSWER KEY

Name each of these coins:

1. half dollar 2. dime 3. nickel 4. penny 5. quarter

Write the name of each number:

17 29 105

1. seventeen 2. twenty-nine 3. one hundred five

86 342

4. eighty-six 5. three hundred forty-two

Fill in the blanks:

1) 1 quarter = 5 nickels
2) 2 nickels = 10 pennies
3) 5 dimes = 1 half dollar(s)
4) $27.00 = 2 ten dollar bills, 1 five dollar bill, and 2 one dollar bills.
5) $14.00 = 2 five dollar bills and 4 one dollar bills.

Figure the change and fill in the blanks:

1) 32¢ out of 50¢ leaves 18¢ change.
2) 57¢ out of 75¢ leaves 18¢ change.
3) $1.87 out of $2.00 leaves 13¢ change.
4) $12.80 out of $15.00 leaves $2.20 change.
5) $8.50 out of $20.00 leaves $11.50 change.

To the student . . .

When you have finished this SAT Packet, you will be able to count and convert currency. Currency means coins and paper money. It is the common medium of exchange. People work for it. They use it to buy from others the goods they need. Money is a measure of value. It is the yardstick by which the value of goods and services are measured.

We think of money as being coins or paper money. In this packet you will study about both of these forms of money. You will read tables and become acquainted with abbreviations used in our money system. You will gain some experience in writing basic money amounts.

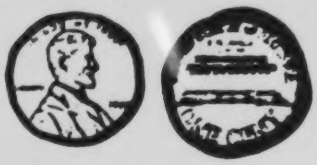
While you are working with our forms of money, remember that there are still people in other parts of the world who prefer other forms of "money." Since money is a medium of exchange, anything of value can be used if another will accept it. History records the use of fish, stones, corn, skins, sheep and cattle. These are only a few. Maybe while you are working in this packet, you will want to read more about money. Your teacher will advise you about sources of information.

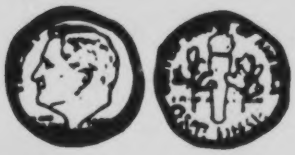
THE UNITED STATES OF AMERICA
B 84622371 C
B 84622371 C
ONE DOLLAR

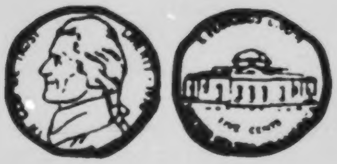
THE UNITED STATES OF AMERICA
5
5
FIVE
FIVE DOLLARS
FIVE

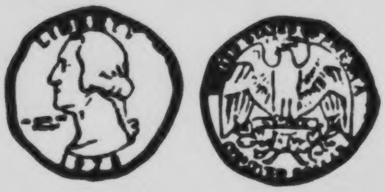
COINS

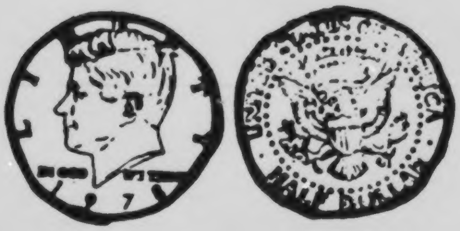
Among all the materials used by different people as mediums of exchange, certain ones seemed to make better sense. Metals. At first, metal money was in the form of dust or lumps. Sometimes it was shaped into bars. It had to be measured each time it was used. This was inconvenient. A simpler way was needed. The answer was to make the metal in standard sizes. These became known as COINS. So the history of coins began. It is necessary to know the name of each coin in our money system. Look at these coins. Can you name each one?


penny

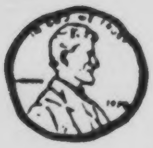

dime

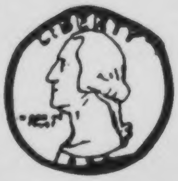

nickel

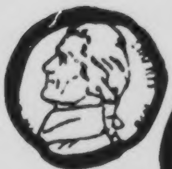

quarter

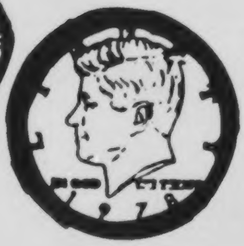

half dollar

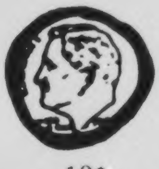
Today, most of our coins contain less actual value in metal than is stamped on it. But we still say that a PENNY is worth 1¢. A DIME is worth 10¢. A QUARTER is worth 25¢. A HALF DOLLAR is worth 50¢.


1¢

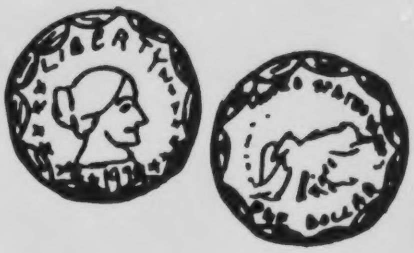

25¢


5¢


50¢

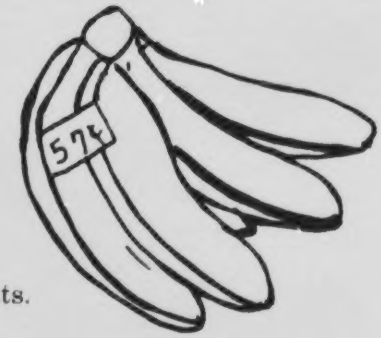

10¢

A new coin has been added to our currency. It is called the Susan B. Anthony Silver Dollar. This is not a popular coin because it is about the same size as a quarter. It is often mistaken for a quarter when used as change. But when it is used, it is worth $1.00 as a medium of exchange.



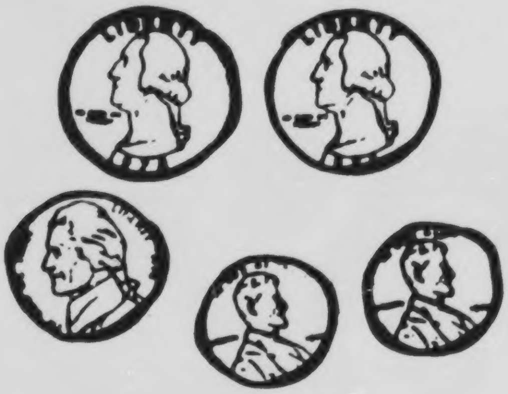
In some countries of the world, goods are traded for other goods. This is called BARTERING. But in the U.S. coins and paper money are used for buying goods. For example, when you go to the local store you pay cash for the goods you buy.

This bunch of bananas is marked 57¢. The price is based on the weight. Usually the price is marked on the bananas. There are three ways to write this:

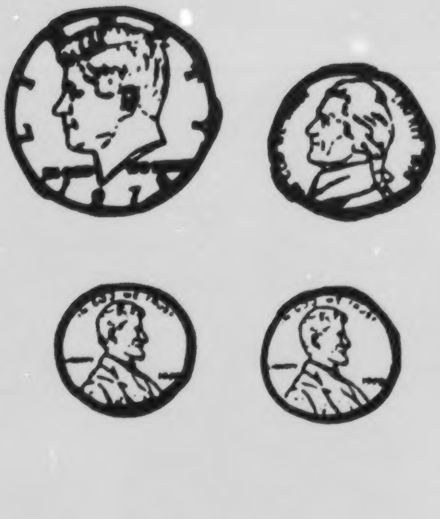


57¢
$.57
fifty-seven cents.

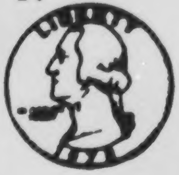
You could pay for the bananas with: 2 quarters, 1 nickel, 2 pennies. You could also pay for them with: 1 half dollar, 1 nickel, 2 pennies.

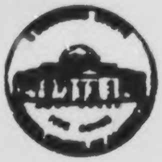


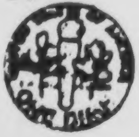
OR

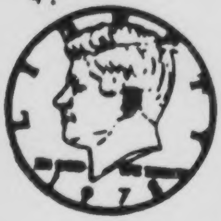


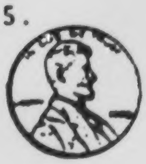
Five different coins are listed on this page. Look at each one. You will see both the front and back of each coin. The names of the coins are: penny, nickel, dime, quarter, half dollar.

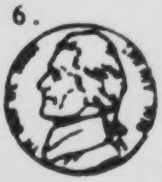
1.


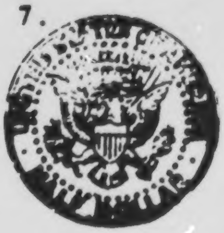
2.


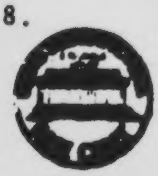
3.


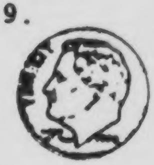
4.


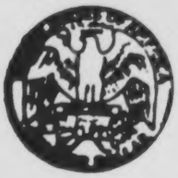
5.


6.


7.


8.


9.


10.


ACTIVITY 1

Write the name and value of each coin in the Student Response Booklet. Check your work with the Answer Key. It is on the last page of this packet. If you miss any, ask your teacher to assist you.

ACTIVITY 2

It helps to use actual coins when studying about money. If you would like to use coins with this activity, ask your teacher to help you. You might also want to work with another student.

USE THE CHART TO FIND THE ANSWERS. Write the answers in the Student Response Booklet.

1. 1 nickel = ____________________ pennies
2. 2 nickels = ____________________ pennies
3. 1 half dollar = _______________ pennies
4. 1 dime = ______________________ nickels
5. 1 quarter = ___________________ nickels
6. 10 pennies = ___________________ dime
7. 25 pennies = __________________ quarter
8. 1 half dollar = ______________ quarters
9. 2 nickels = ______________________ dime
10. 1 dime = ______________________ pennies
11. 1 half dollar = _________________ dimes
12. 5 pennies = ____________________ nickel
13. 1 quarter = ___________________ pennies
14. 10 pennies = __________________ nickels
15. 5 nickels = ____________________ quarter
16. 5 dimes = _________________ half dollar

CHART

1 nickel = 5 pennies
1 dime = 10 pennies
1 quarter = 25 pennies or 5 nickels
1 half dollar = 50 pennies or 10 nickels or 5 dimes or 2 quarters

---

Check your work with the Answer Key.

ACTIVITY 3

Write the correct amount for each in your Student Response Booklet. Check your work with the Answer Key. If you miss more than one, you need more practice. Ask your teacher for help.

1. 30¢ = ______ quarter and ______ nickel.
2. 58¢ = ______ quarters and ______ nickel and ______ pennies.
3. 13¢ = ______ pennies.
4. 42¢ = ______ quarter and ______ nickels and ______ pennies.
5. 89¢ = ______ half dollar and ______ quarter and ______ dimes and ______ pennies.

ACTIVITY 4

Now work with your teacher or another student in the class. Look at the prices on the vegetables. Name the coins you would give the clerk for these foods. Write your answers in the Student Response Booklet.

Mushrooms
89¢

Beets
34¢

Green Peppers
29¢

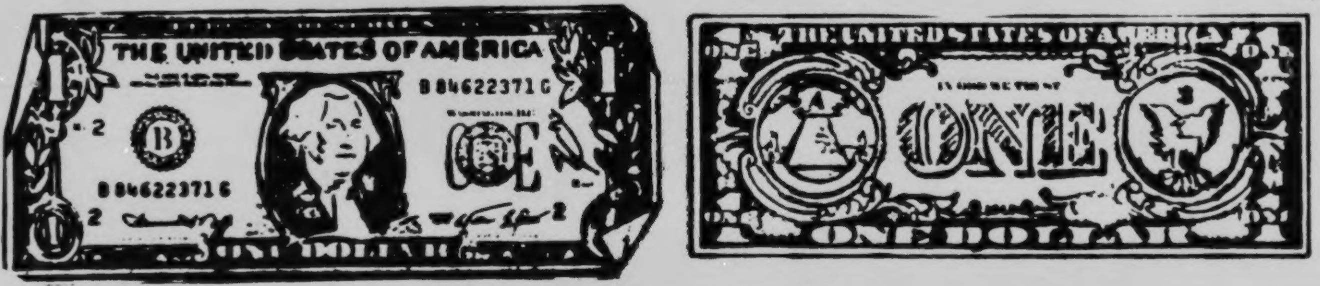
Onions
67¢

Carrots
42¢

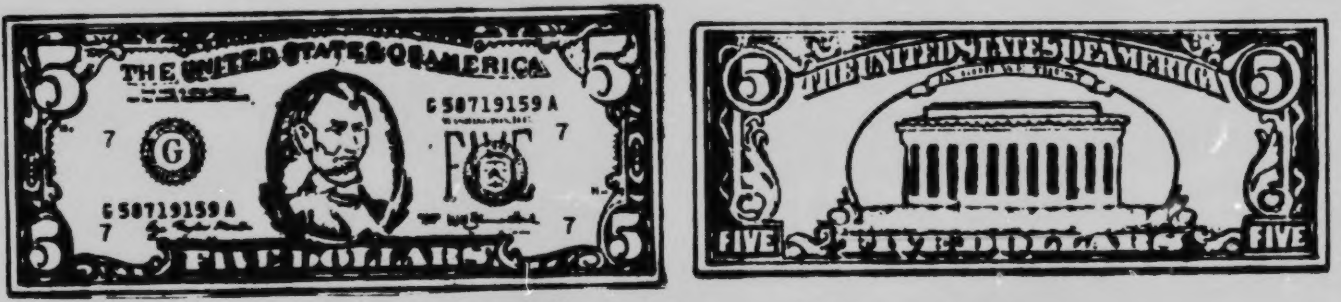
PAPER MONEY

The other part of our U.S. money system is paper money. Each bill has a certain value. A one dollar bill is worth $1.00. A five dollar bill is worth $5.00. Look at the pictures of these bills. It is not legal to make pictures of real bills. But these look very much like the regular paper money we use. Paper money was first issued in these amounts by our government in 1862.

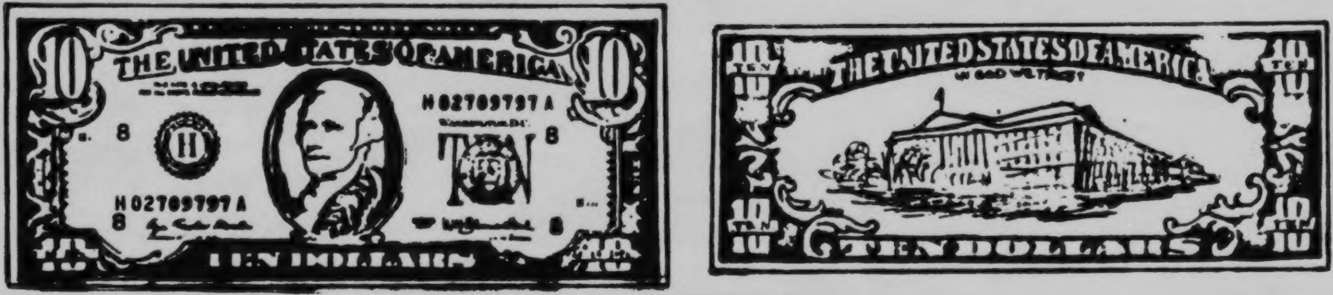
It is important to recognize both sides of our paper money. It makes it easier for us to use, and may help us to recognize false money. False money is also called COUNTERFEIT money.


THE UNITED STATES OF AMERICA
B 84622371 C
ONE
ONE DOLLAR

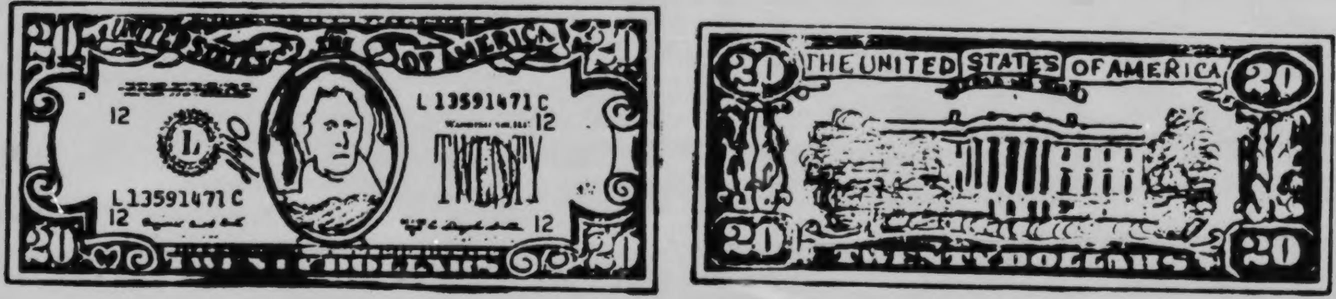
one dollar bill — — — — $1.00


THE UNITED STATES OF AMERICA
G 50719159 A
FIVE
FIVE DOLLARS

five dollar bill — — — — $5.00


THE UNITED STATES OF AMERICA
H 02709797 A
TEN
TEN DOLLARS

ten dollar bill — — — — $10.00


THE UNITED STATES OF AMERICA
L 13591471 C
TWENTY
TWENTY DOLLARS
20

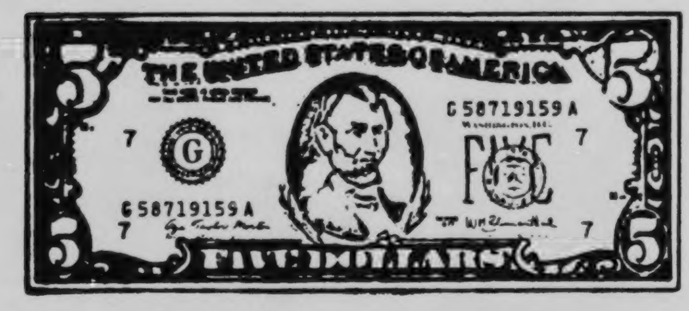
twenty dollar bill — — — — $20.00

ACTIVITY 5

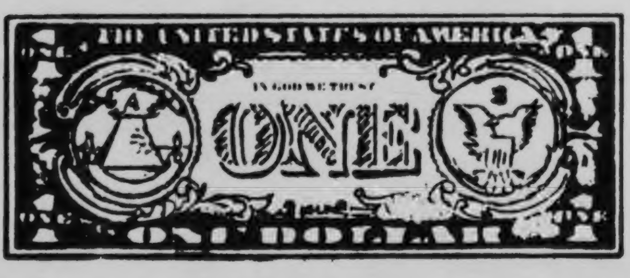
In order for a certain material to be used as money, it must be easy to handle. It must be of good quality. It must be durable. Stones, beads, cattle and sheep did not have these qualities. So the need became even greater for paper money.

Here are more examples of our paper money. Write the name and value of each bill in your Student Response Booklet. Check your work with the Answer Key.

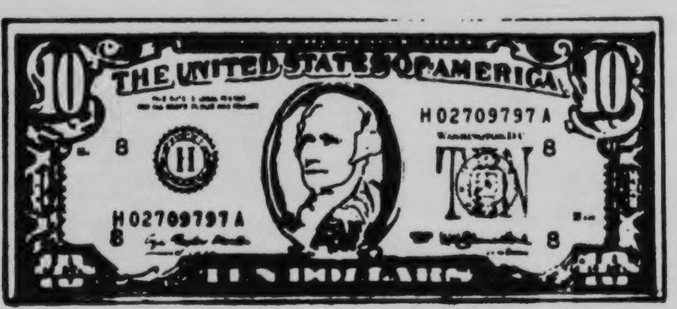
1.


THE UNITED STATES OF AMERICA
G 58719159 A
G
FIVE
G 58719159 A
FIVE DOLLARS
5
7

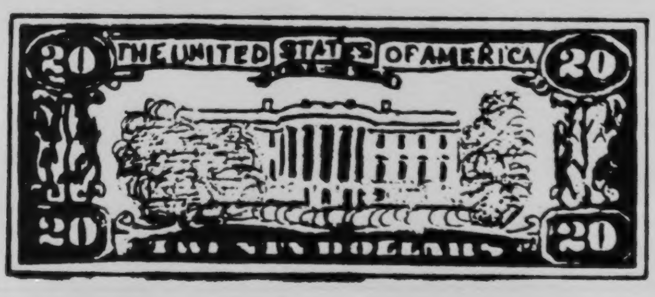
2.


THE UNITED STATES OF AMERICA
IN GOD WE TRUST
ONE
ONE DOLLAR

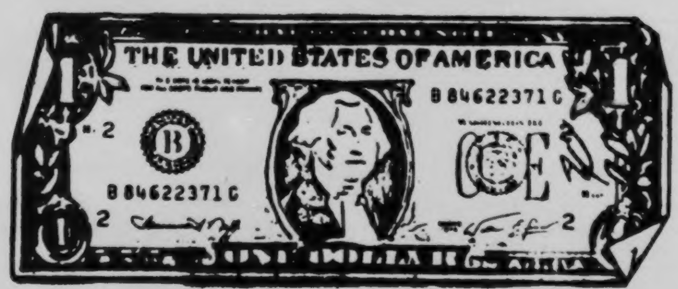
3.


THE UNITED STATES OF AMERICA
H 02709797 A
H
TEN
H 02709797 A
TEN DOLLARS
10
8

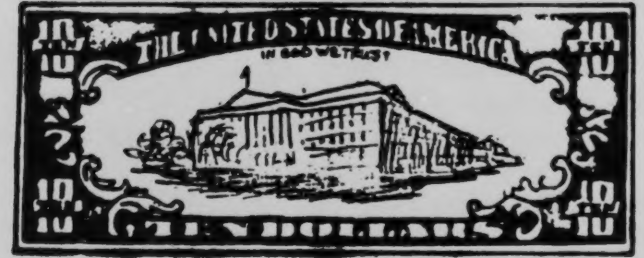
4.


20
THE UNITED STATES OF AMERICA
20
20
20

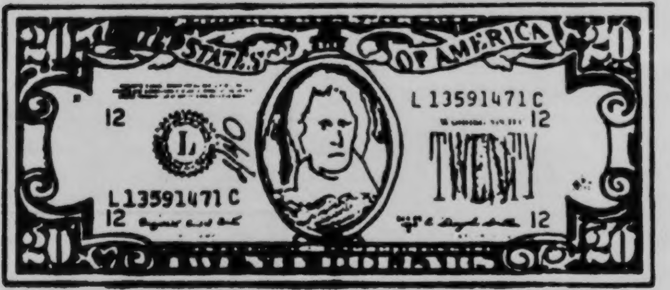
5.


THE UNITED STATES OF AMERICA
1
1
B
B 84622371 C
B 84622371 C
2
2
2
ONE
1

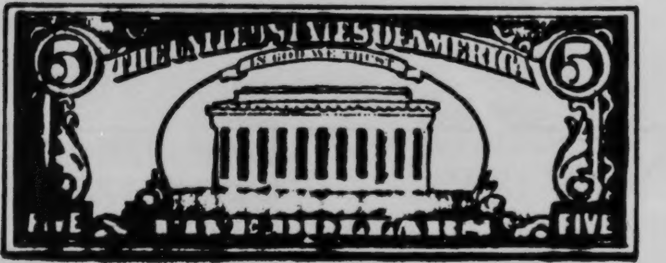
6.


10
THE UNITED STATES OF AMERICA
IN GOD WE TRUST
10
10
10

7.


20
STATES
OF AMERICA
20
L 13591471 C
12
12
L
TWENTY
L 13591471 C
12
12
20
20

8.


5
THE UNITED STATES OF AMERICA
IN GOD WE TRUST
5
FIVE
FIVE

ACTIVITY 6

For this activity you will work with paper money (bills). You might like to work with your teacher or another student. Use the chart to find the correct amount for each. Write the answer in the Student Response Booklet. Check your work with the Answer Key.

CHART

1 five dollar bill = 5 one dollar bills

1 ten dollar bill = 10 one dollar bills or 2 five dollar bills

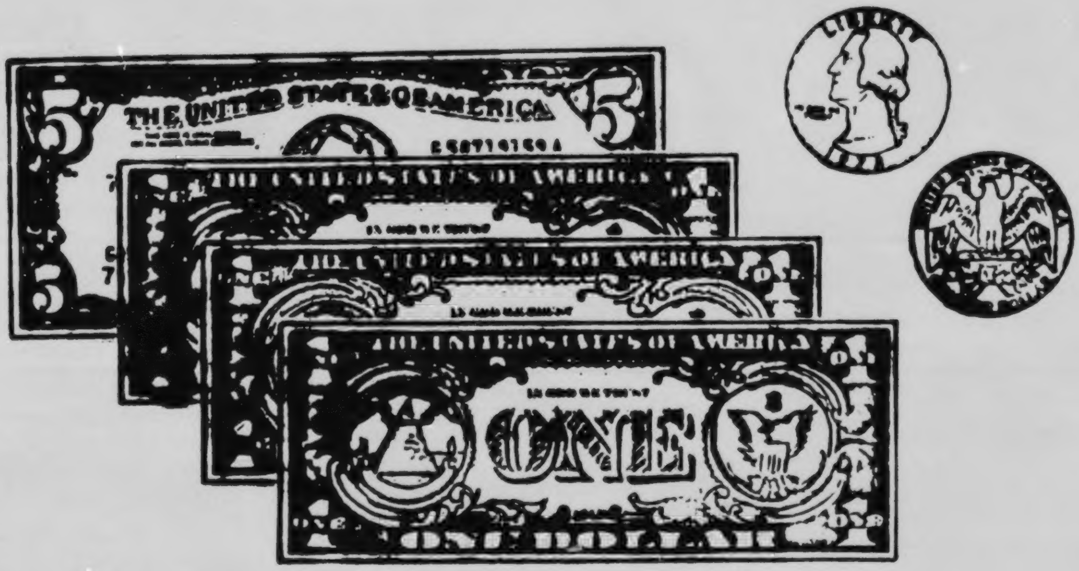
1 twenty dollar bill = 20 one dollar bills or 4 five dollar bills or 2 ten dollar bills

1. 1 five dollar bill = ______ one dollar bills.
2. 10 one dollar bills = ______ five dollar bills.
3. 4 five dollar bills = ______ twenty dollar bill.
4. 1 twenty dollar bill = ______ one dollar bills.
5. 1 ten dollar bill = ______ five dollar bills.
6. 2 five dollar bills = ______ one dollar bills.
7. 2 ten dollar bills = ______ twenty dollar bill.
8. 2 ten dollar bills = ______ five dollar bills.
9. 5 one dollar bills = ______ five dollar bill.
10. 10 one dollar bills = ______ ten dollar bill.
11. $15.00 = ______ ten dollar bill and ______ five dollar bill.
12. $9.00 = ______ five dollar bill and ______ one dollar bills.
13. $34.00 = ______ twenty dollar bill and ______ ten dollar bill and ______ one dollar bills.
14. $26.00 = ______ twenty dollar bill and ______ one dollar bills.
15. $18.00 = ______ ten dollar bill and ______ five dollar bill and ______ one dollar bills.

COINS AND BILLS

Paper money was first used in China about a thousand years ago. It differs from other money because it has little or no value in itself. Coins are made from silver, gold or other metals. It has value in itself. Since we often buy items that cost more than a dollar, we need both paper money and coins. The weight of coins would be too much to carry if we needed very much. We must learn to count and use currency — meaning both paper money and coins.

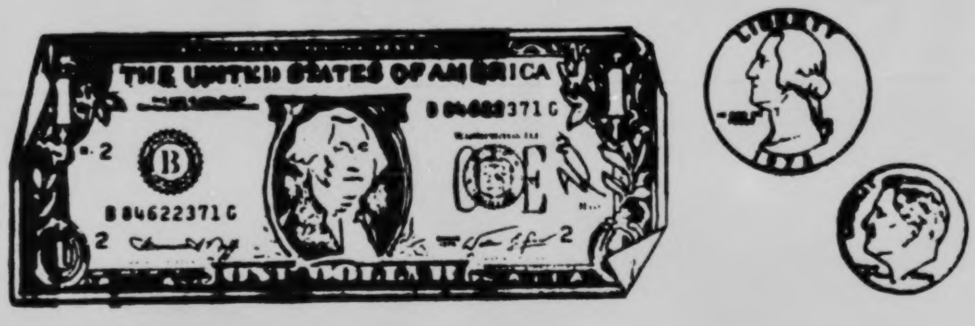
If you went to the store and bought an item that cost $8.50, what paper money and coins would you need? Count the money here and decide.


THE UNITED STATES OF AMERICA
5
THE UNITED STATES OF AMERICA
THE UNITED STATES OF AMERICA
THE UNITED STATES OF AMERICA
ONE
ONE DOLLAR
LIBERTY

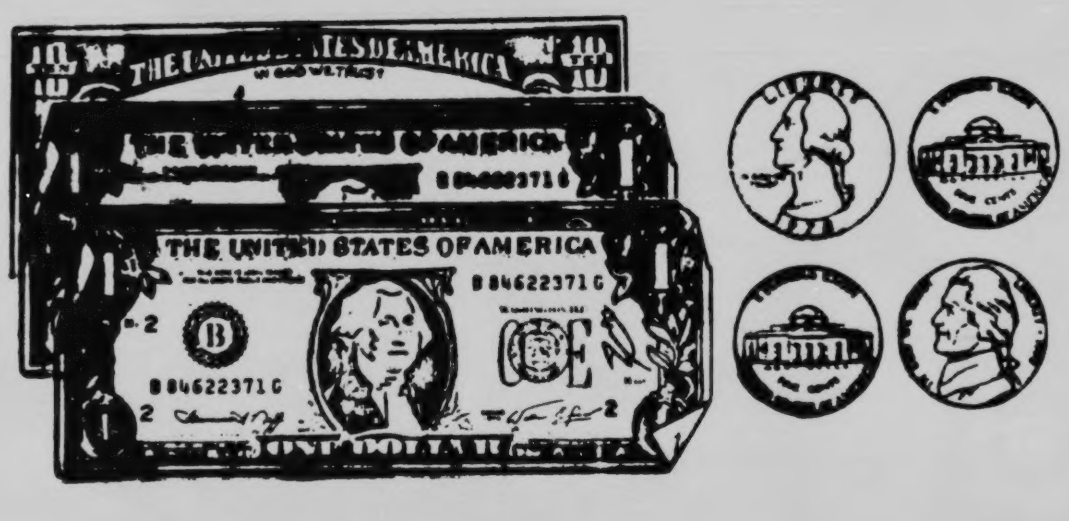
ACTIVITY 7

Look at the pictures of this money. Write the correct amount in your Student Response Booklet. Check your work with the Answer Key. If you missed any, you need more practice.

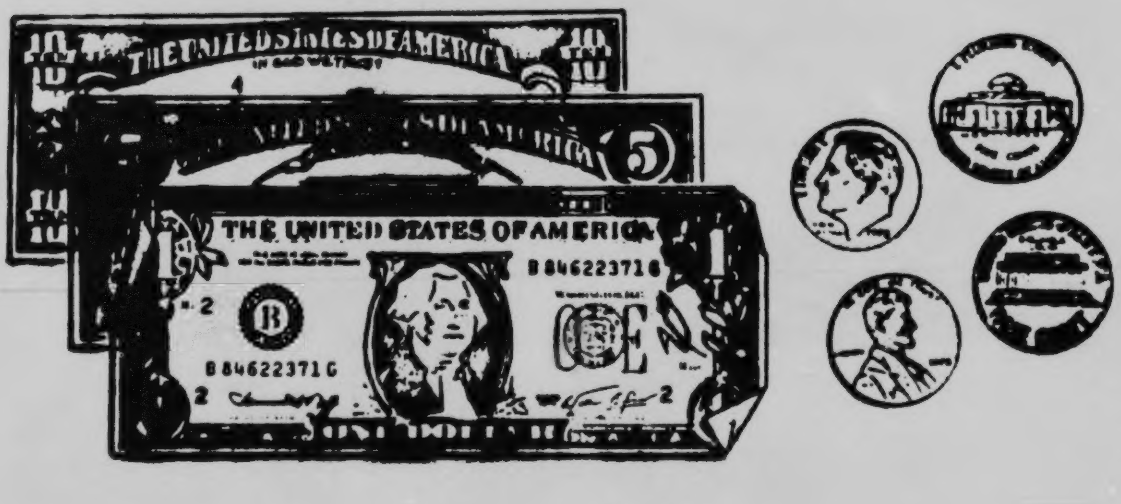
1)



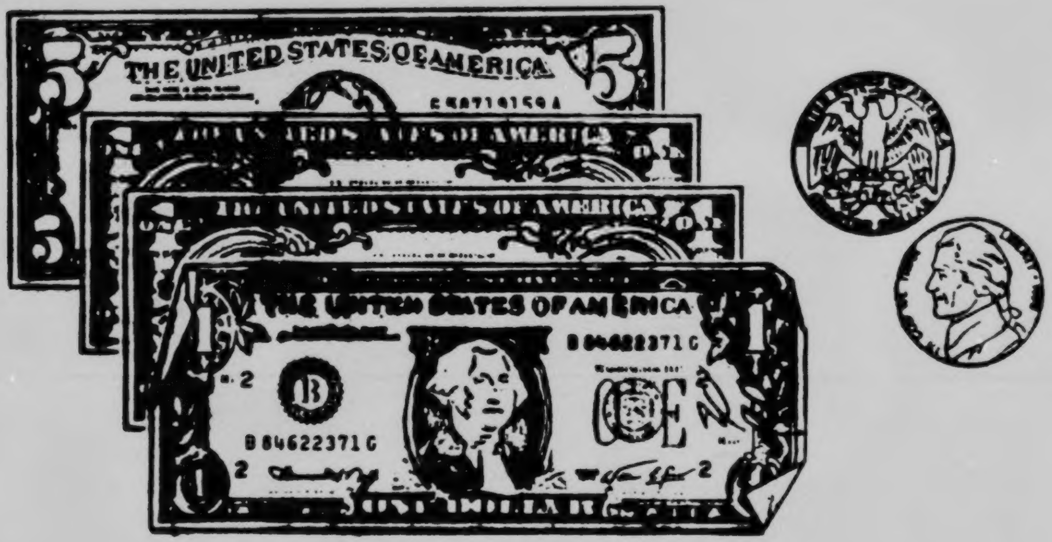
2)



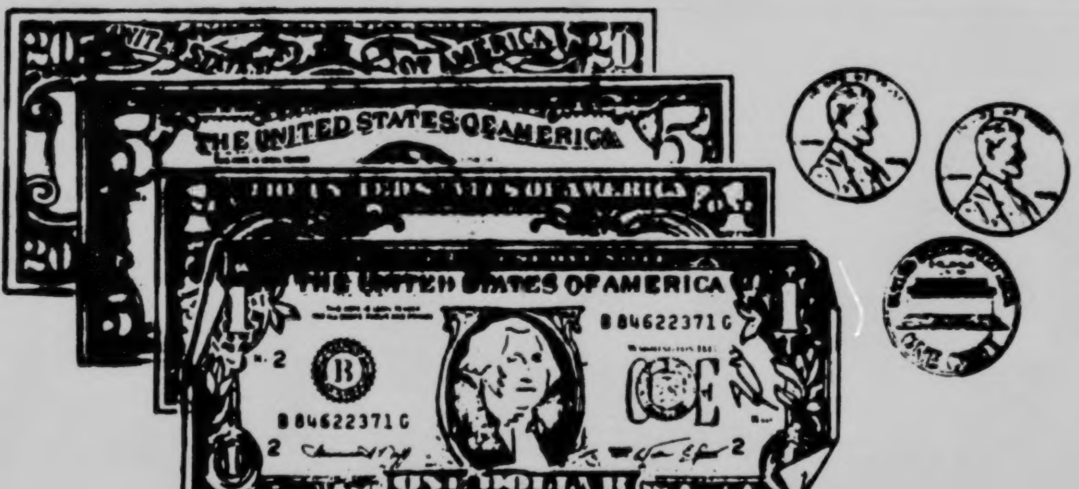
3)



4)



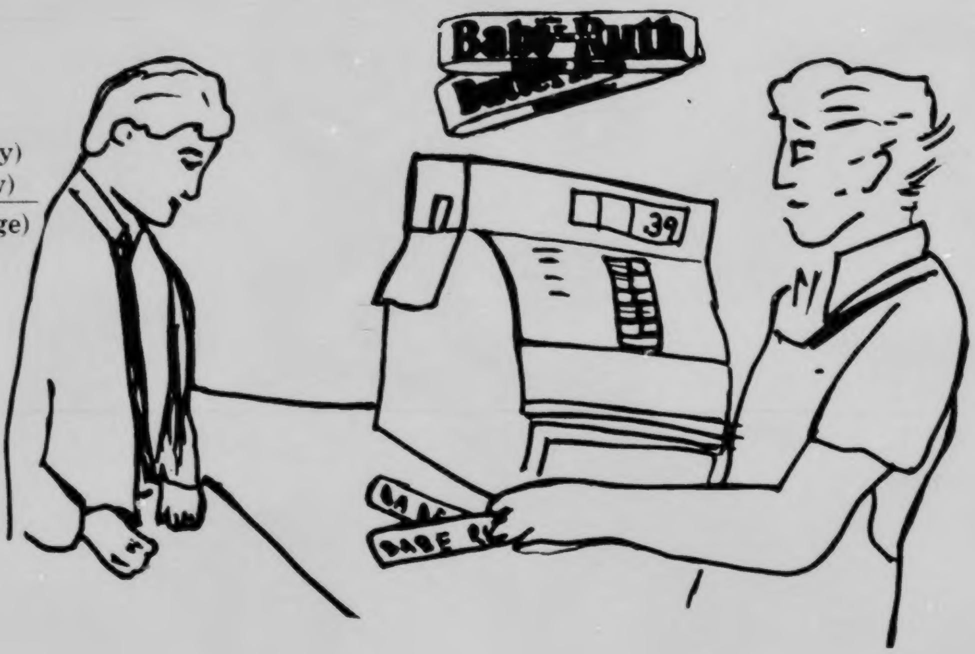
5)



MAKING CHANGE WITH COINS

Tom did not know how to make change. He went into the store to buy some candy bars. The candy bars cost 39¢. He had only coins with him. He took two quarters out of his pocket. He gave them to the clerk.

The clerk figured Tom's change. She took 39¢ from 50¢. This left 11¢. So she gave Tom 1 dime and 1 penny. Did she give him the right amount of change? Check these subtraction figures to find out.


Baby Ruth
39
BABE R

50¢ (Tom's money)
- 39¢ (Tom's candy)
11¢ (Tom's change)

ACTIVITY 8

See if you can make change for the following items. Write the answers in the Student Response Booklet.

ONIONS 83¢
Take 83¢ out of 90¢

CHEWING GUM 15¢
Take 15¢ out of 25¢

SHAMPOO 59¢
Take 59¢ out of 75¢

GRADE
A
EGGS

EGGS 89¢
Take 89¢ out of
$1.00

Rose Milk
SKIN CARE CREAM

LOTION 75¢
Take 75¢ out of $1.00

ACTIVITY 9

Look at the amounts of money. Write the correct amount of change in your Student Response Booklet. Check your work with the Answer Key. If you miss one or more, you need more practice.

1.) 42¢ out of 50¢
2.) 67¢ out of 75¢
3.) 29¢ out of 30¢
4.) 89¢ out of 95¢
5.) 53¢ out of 75¢

MAKING CHANGE WITH COINS AND BILLS

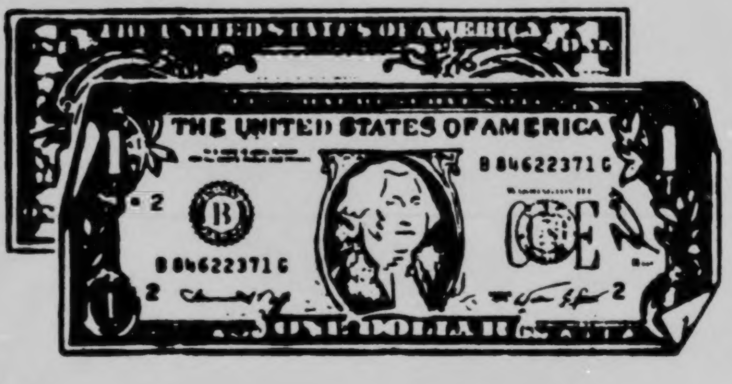
We often buy things which cost more than a dollar. We don't always have the right change to pay the clerk. So we pay with coins and bills. This is how Tom paid for a pair of slacks.

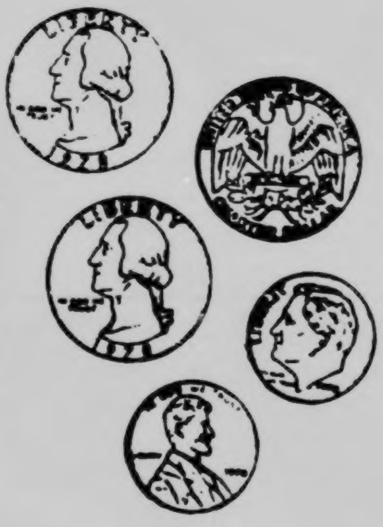
Tom went into the store to buy a pair of slacks. The slacks cost $17.24.

Tom only had a twenty dollar bill and some change. He gave the clerk the twenty dollar bill.

20
THE UNITED STATES OF AMERICA
20
20
20

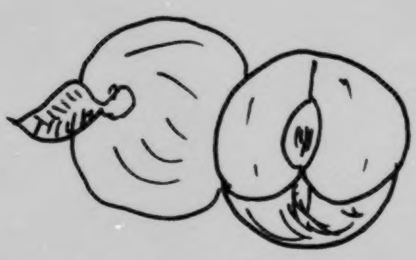
The clerk figured Tom's change. He took $17.24 from $20.00. This left $2.76. Tom's change is 2 one dollar bills, 3 quarters and 1 penny.


THE UNITED STATES OF AMERICA
ONE DOLLAR

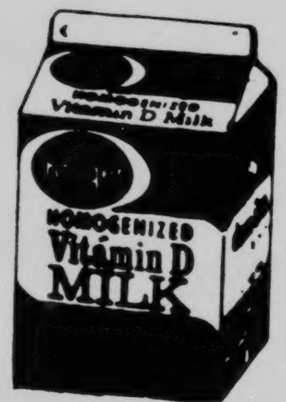


ACTIVITY 10

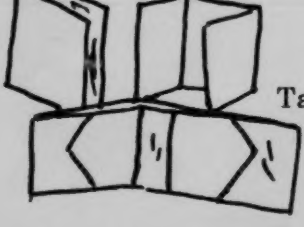
Make change for the items here. Write your answers in the Student Response Booklet. Check your work with the Answer Key.



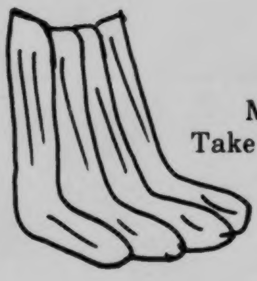
BAG OF APPLES
$1.49
Take $1.49 out of $2.00


HOMOGENIZED
Vitamin D
MILK

MILK
$1.89
Take $1.89 out of $5.00



WALLET
$15.72
Take $15.72 out of $20.00



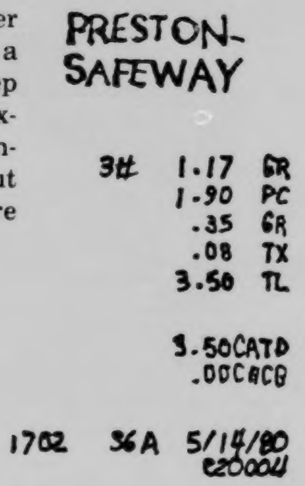
MEN'S SOCKS
Take $7.05 out of $10.00

CASH REGISTER RECEIPTS

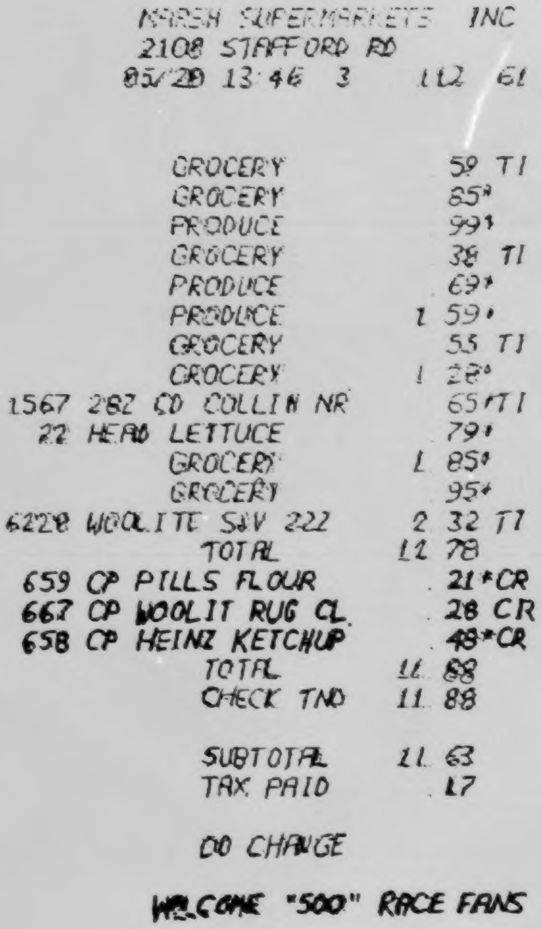
Before coins and paper money were used, receipts were not given. Can you imagine trying to give a receipt for a sheep or stack of stones? A receipt is a piece of paper that shows an item was paid for. Today with our money system, the receipt is important. The word CASH REGISTER RECEIPT comes from the way the receipt is handled. New and modern machines record your purchase and make the receipt while you watch. This is some of the information your receipt may tell you about your purchase.

- the name of the store
- the kind of item
- the amount paid
- the date of purchase
- the amount of tax paid
- the amount of change received — if any
- the list price of each item
- the subtotal
- the total of all items

So each time you make a purchase, ask for your receipt. Keep it. Find a special place for your receipts. A folder or envelope makes a good place to keep them. Returns and exchanges usually cannot be made without the receipt. Here are some examples.



```
PRESTON-
SAFEWAY

3#    1.17  GR
      1.90  PC
       .35  GR
       .08  TX
      3.50  TL

      3.50CATD
       .00CACB

1702   36A  5/14/80
           E20004
```



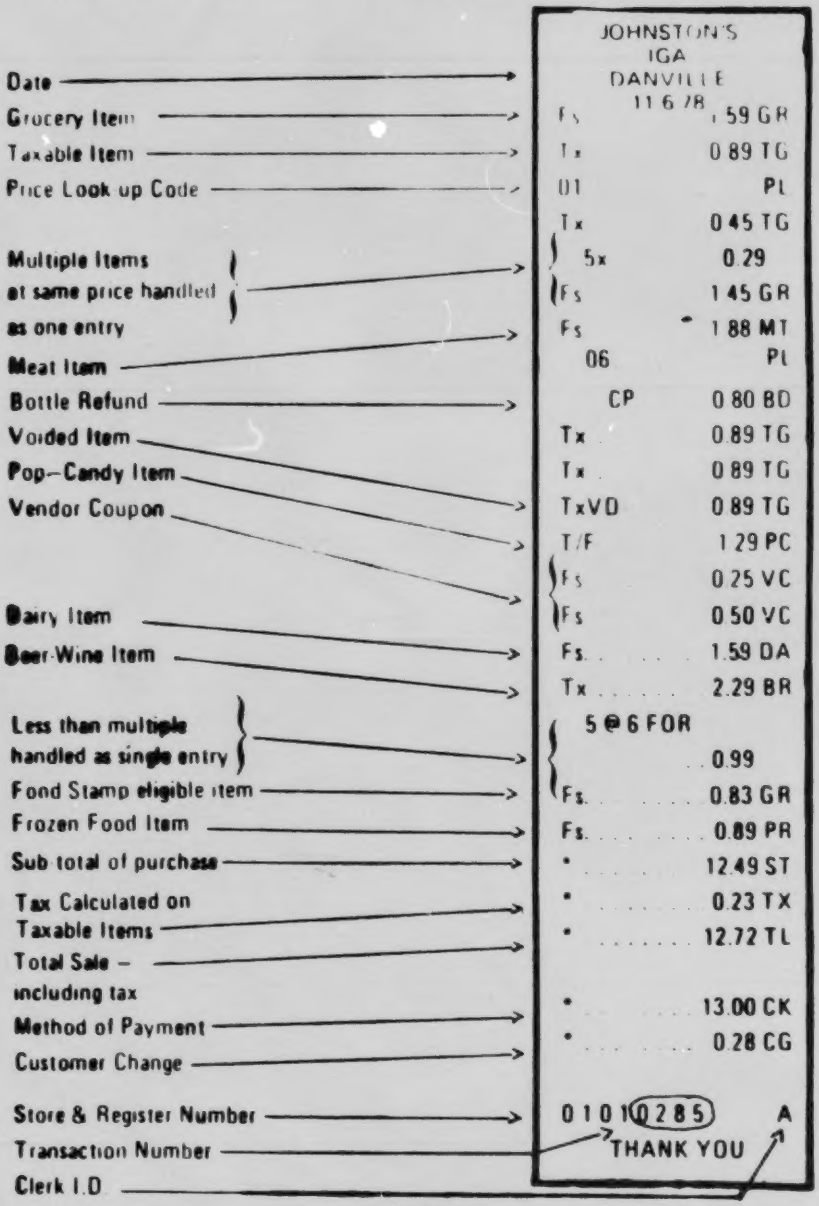
```
        MARSH SUPERMARKETS  INC
        2108 STAFFORD RD
       05/20 13:46  3     112  61


             GROCERY             59 TI
             GROCERY             85*
             PRODUCE             99*
             GROCERY             38 TI
             PRODUCE            .69*
             PRODUCE           1 59*
             GROCERY             55 TI
             GROCERY           1 28*
 1567 282 CD COLLIN NR           65*TI
   22 HEAD LETTUCE              .79*
             GROCERY           1 85*
             GROCERY             95*
 6228 WOOLITE SAV 222          2 32 TI
                TOTAL         11 78
  659 CP PILLS FLOUR            .21*CR
  667 CP WOOLIT RUG CL.         .28 CR
  658 CP HEINZ KETCHUP          .48*CR
                TOTAL         11 88
                CHECK TND     11 88

                SUBTOTAL      11 63
                TAX PAID        .17

                DO CHANGE

          WELCOME "500" RACE FANS
```

ACTIVITY 11

Ask your teacher to help you collect several kinds of receipts. List the information that you find on them in your Student Response Booklet.

If you live in a smaller community, there are often small chain stores. They are managed by community individuals. IGA is such a store. This is an example of their receipt.

SAMPLE RECEIPT
JOHNSTON'S IGA



Date
Grocery Item
Taxable Item
Price Look up Code
Multiple Items at same price handled as one entry
Meat Item
Bottle Refund
Voided Item
Pop–Candy Item
Vendor Coupon
Dairy Item
Beer-Wine Item
Less than multiple handled as single entry
Food Stamp eligible item
Frozen Food Item
Sub total of purchase
Tax Calculated on Taxable Items
Total Sale – including tax
Method of Payment
Customer Change
Store & Register Number
Transaction Number
Clerk I.D.

JOHNSTON'S
IGA
DANVILLE
11 6 78

Fs	1.59 GR
Tx	0.89 TG
01	PL
Tx	0.45 TG
5x	0.29
Fs	1.45 GR
Fs	1.88 MT
06	PL
CP	0.80 BD
Tx	0.89 TG
Tx	0.89 TG
TxVD	0.89 TG
T/F	1.29 PC
Fs	0.25 VC
Fs	0.50 VC
Fs	1.59 DA
Tx	2.29 BR
5 @ 6 FOR	
	0.99
Fs	0.83 GR
Fs	0.89 PR
•	12.49 ST
•	0.23 TX
•	12.72 TL
•	13.00 CK
•	0.28 CG

0 1 0 1 0 2 8 5 A
THANK YOU

ACTIVITY 12

Make a list of some of the items needed for your household for one week. List the price of the items. Use the newspaper ads to help you. How much money will you need to buy these items? Write your answers in the Student Response Booklet.

EXAMPLE:

1) bread 89¢

CE-1
ANSWER KEY

ACTIVITY 1

1) quarter
2) nickel
3) dime
4) half-dollar
5) penny
6) nickel
7) half-dollar
8) penny
9) dime
10) quarter

ACTIVITY 2

1) 5
2) 10
3) 50
4) 2
5) 5
6) 1
7) 1
8) 2
9) 1
10) 10
11) 5
12) 1
13) 25
14) 2
15) 1
16) 1

ACTIVITY 3

1. 30¢ = 1 quarter and 1 nickel.
2. 58¢ = 2 quarters and 1 nickel and 3 pennies.
3. 13¢ = 13 pennies.
4. 42¢ = 1 quarter and 3 nickels and 2 pennies.
5. 89¢ = 1 half-dollar and 1 quarter and 1 dime and 4 pennies.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

1) $5.00
2) $1.00
3) $10.00
4) $20.00
5) $1.00
6) $10.00
7) $20.00
8) $5.00

ACTIVITY 6

1) 5
2) 2
3) 1
4) 20
5) 2
6) 10
7) 1
8) 4
9) 1
10) 1
11) 1, 1
12) 1, 4
13) 1, 1, 4
14) 1, 1
15) 1, 1, 3

ACTIVITY 7

1) $1.35
2) $12.40
3) $16.17
4) $8.30
5) $27.03

ACTIVITY 8

onions	7¢
chewing gum	10¢
shampoo	16¢
eggs	11¢
lotion	25¢

ACTIVITY 9

1) 8¢
2) 8¢
3) 1¢
4) 6¢
5) 22¢

ACTIVITY 10

bag of apples	$ .51
milk	$3.11
wallet	$4.28
socks	$2.95

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 1
COUNTING AND CONVERTING MONEY

NAME ______________________________

DATE ______________________________

ACTIVITY 1

Write the name of each coin

1) ______________________ 6) ______________________
2) ______________________ 7) ______________________
3) ______________________ 8) ______________________
4) ______________________ 9) ______________________
5) ______________________ 10) ______________________

ACTIVITY 2

1 1 nickel = ______ pennies
2) 2 nickels = ______ pennies
3) 1 half-dollar = ______ pennies
4) 1 dime = ______ nickels
5) 1 quarter = ______ nickels
6) 10 pennies = ______ dime
7) 25 pennies = ______ quarter
8) 1 half dollar = ______ quarters
9) 2 nickels = ______ dime
10) 1 dime = ______ pennies
11) 1 half dollar = ______ dimes
12) 5 pennies = ______ nickel
13) 1 quarter = ______ pennies
14) 10 pennies = ______ nickels
15) 5 nickels = ______ quarter
16) 5 dimes = ______ half-dollar

ACTIVITY 3

1) 30¢ = ______ quarter and ______ nickel.
2) 58¢ = ______ quarters and ______ nickel and ______ pennies.
3) 13¢ = ______ pennies.
4) 42¢ = ______ quarter and ______ nickels and ______ pennies.
5) 89¢ = ______ half-dollar and ______ quarter and ______ dime and ______ pennies.

ACTIVITY 4

What coins would you give the clerk to buy these vegetables?

mushrooms ______________________
onions ______________________
green peppers ______________________
beets ______________________
carrots ______________________

ACTIVITY 5

1) ________ dollar bill value $ ________
2) ________ dollar bill value $ ________
3) ________ dollar bill value $ ________
4) ________ dollar bill value $ ________
5) ________ dollar bill value $ ________
6) ________ dollar bill value $ ________
7) ________ dollar bill value $ ________
8) ________ dollar bill value $ ________

ACTIVITY 6

1) 1 five dollar bill = ________ one dollar bills.
2) 10 one dollar bills = ________ five dollar bills.
3) 4 five dollar bills = ________ twenty dollar bill.
4) 1 twenty dollar bill = ________ one dollar bills.
5) 1 ten dollar bill = ________ five dollar bills.
6) 2 five dollar bills = ________ one dollar bills.
7) 2 ten dollar bills = ________ twenty dollar bill.
8) 2 ten dollar bills = ________ five dollar bills.
9) 5 one dollar bills = ________ five dollar bill.
10) 10 one dollar bills = ________ ten dollar bill.
11) $15.00 = ________ ten dollar bill and ________ five dollar bill.
12) $9.00 = ________ five dollar bill and ________ one dollar bills.
13) $34.00 = ________ twenty dollar bill and ________ ten dollar bill and ________ one dollar bills.
14) $26.00 = ________ twenty dollar bill and ________ one dollar bills.
15) $18.00 = ________ ten dollar bill and ________ five dollar bill and ________ one dollar bills.

ACTIVITY 7

1) $ ________
2) $ ________
3) $ ________
4) $ ________
5) $ ________

ACTIVITY 8

Change for onions ________
Change for chewing gum ________
Change for shampoo ________
Change for eggs ________
Change for lotions ________

ACTIVITY 9

Write the amount of change

1) ____________
2) ____________
3) ____________
4) ____________
5) ____________

ACTIVITY 10

Change for bag of apples ____________
Change for milk ____________
Change for wallet ____________
Change for socks ____________

ACTIVITY 11

List the information you find on the receipts in the space below.

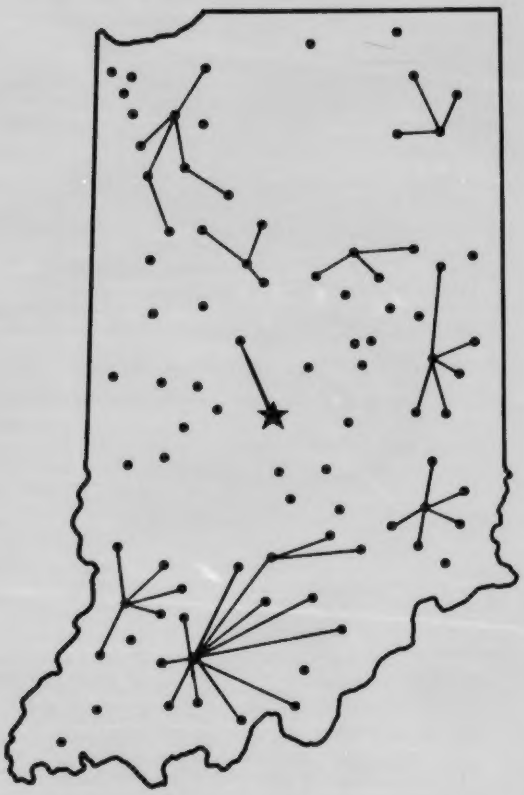
____
____
____
____
____

ACTIVITY 12

List some of the items you will need for your household for one week. What do you think each item will cost? List this also. The newspaper ads will help with this activity.

1. ____ ____________
2. ____ ____________
3. ____ ____________
4. ____ ____________
5. ____ ____________
6. ____ ____________
7. ____ ____________
8. ____ ____________
9. ____ ____________

DECIDE



Consumer Economics Book I

CE-2: CONVERTING WEIGHTS AND MEASURES

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will be able to use weights and measures.

INTRODUCTION:

This packet is designed to help the student work independently. However, learning to use weights and measures can be facilitated by group work. Interaction with others is encouraged as an important method of learning. Teacher guidance and assistance will further benefit the student's progress. It is hoped that learning to read tables, calculate weights, write measurements and abbreviations will be made enjoyable for the student upon completion of this packet.

ADAPTABILITY:

The packet is easily adaptable for individualized, one-to-one tutorial and group work.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase I and II.

MATHEMATICAL SKILLS:

The student will need a basic knowledge of math.

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or an oral assessment. There are twenty questions on the test. The student should score at least 80% in order to test out of this packet. He/she should also score 80% upon completion.

ADDITIONAL MATERIALS RECOMMENDED:

AN INTRODUCTION TO THE METRIC SYSTEM
The Grolier Educational Corporation
845 Third Avenue
New York, New York 10022

WHAT ABOUT METRIC?
U.S. Department of Commerce

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Recognizes symbols and abbreviations
  - Identifies units of measure
  - Notes details
  - Interprets charts, graphs and tables
- Writing
  - Makes notes
- Speaking, Listening, Viewing
  - Organizes information
  - Interprets ideas
  - Presents information
  - Clarifies issues
- Interpersonal Relations
  - Interacts with others
- Computation
  - Converts different measurements
  - Uses various types of measuring devices

CE-2

PRE/POST TEST

1. Length is expressed in ________________ .
2. Weight is expressed in ________________ .
3. Volume is expressed in ________________ .
4. Area is called ________________ .
5. 98.6° F = ________________ Celsius.
6. A meter is about the length of (a) 12 inch ruler ________________ .
   (b) yardstick ________________ .
7. If you buy a gallon of milk you will have ________ liters.
8. What English measurement is about equal to a meter? ________________
9. A milligram is larger than a centigram (a) True ________________
   (b) False ________________

Write the abbreviation for each unit of measure:

1. foot ________________
2. quart ________________
3. year ________________
4. inch ________________
5. millimeter ________________
6. gram ________________
7. deciliter ________________
8. kilometer ________________

Fill in each blank with the right amount:

1. 1 yard = ________ feet.
2. 1 pound = ________ ounces.
3. 1 gallon = ________ quarts.

CE-2

PRE/POST TEST ANSWER KEY

1. Length is expressed in meters.
2. Weight is expressed in grams.
3. Volume is expressed in liters.
4. Area is called hectare.
5. 98.6°F = 37° Celsius.
6. A meter is about the length of (a) 12 inch ruler no.
   (b) yardstick yes.
7. If you buy a gallon of milk you will have 4 liters.
8. What English measurement is about equal to a meter? yardstick
9. A milligram is larger than a centigram (a) True
   (b) False X

Write the abbreviation for each unit of measure:

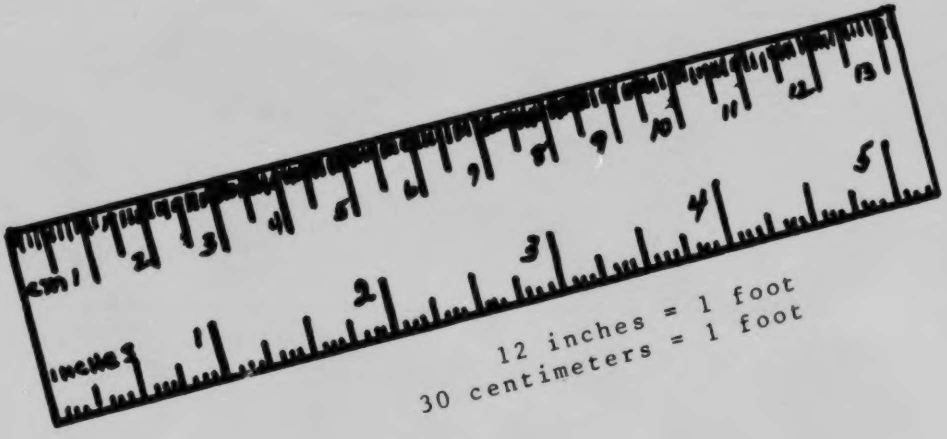
1. foot ft.
2. quart qt.
3. year yr.
4. inch in.
5. millimeter mm
6. gram g
7. deciliter dl
8. kilometer km

Fill in each blank with the right amount:

1. 1 yard = 3 feet
2. 1 pound = 16 ounces
3. 1 gallon = 4 quarts

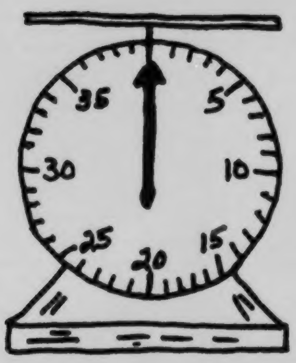
To the student . . .

When you have finished with this SAT Packet, you will understand more about weights and measures. There was a time when there were no tools for measuring and weighing. There were no rulers. There were no tape measures. There were no scales or yardsticks. Man had to be inventive to survive. He soon learned how to manage. But times have changed. We now have many tools for weighing and measuring. Working with weights and measures requires a knowledge of numbers. We have included a review of our basic number system in this packet. You will also find information about reading labels. You will have an opportunity to work with weights and measures. Our system of weights and measures and the metric system will be compared.



12 inches = 1 foot
30 centimeters = 1 foot

500 grams =
1.1 pounds



THE LANGUAGE OF MEASUREMENT

We learned the language of our system of measurement very early in life. We use the words daily without having to think. When we think of **weight** we use the words: ounce, pound, and ton. When we talk about **length** we use the words: foot, inch, yard and mile. When we talk about **volume** we say: cup, pint, quart, gallon. These terms all refer to our system of measurement. It is called the customary system, or the ENGLISH Method of Measurement.

On December 23, 1975, President Ford signed into law the **Metric** Conversion Act of 1975. This meant that our country would change to another system of measurement. It is called the METRIC System. The names of the units in this system may sound strange at first. But there are those who say this system is easier than the one we use now. For everyday use there are some common METRIC MEASUREMENTS. These are the terms we will use most often. Read the charts showing the changes from ENGLISH to METRIC and METRIC to ENGLISH. They are the terms used most in day to day measuring.

WEIGHT:
2.2 pounds = 1 kilogram
1 pound = 454 grams
1 ounce = 28 grams

LENGTH:
1 mile = 1.6 kilometers or
1 kilometer + 600 meters
1 yard = 90 centimeters or .9 meters
1 foot = 30 centimeters
or .3 meters
1 inch = 2.5 centimeters

LIQUID: (Volume)
1 gallon = 3.8 liters or 3 liters +
800 milliliters
1 quart = 950 milliliters
1 pint = 470 milliliters
1 cup = 240 milliliters
1 tablespoon = 15 milliliters
1 teaspoon = 5 milliliters

TEMPERATURE:
Fahrenheit degrees — Celsius degrees

WEIGHT:
gram — a little more than the weight of a paper clip

kilogram — a little more than 2 pounds (about 2.2 pounds)
metric ton — a little more than a short ton (about 2200 pounds)

LENGTH:
millimeter — diameter of a paper clip wire
centimeter — a little more than the width of a paper clip (about 0.4 inch)

kilometer — somewhat further than 1/2 mile (about 0.6 mile)

VOLUME:
milliliter — five of them make a teaspoon
liter — a little larger than a quart (about 1.06 quarts)

TEMPERATURE:
Celsius — Fahrenheit degrees

Some units of measure will not change. TIME will still be measured in hours, minutes, and seconds. Electric power will still be measured in WATTS. Our money system will still be the same. The metric system is already being used in our country. Athletic sports (swimming, track and field events) use meters instead of yards and feet. Even our moon landing was described in metric terms.

UNDERSTANDING AND KNOWING NUMBERS

Knowing about numbers and using them is an important part of our language of measurement. They are as useful as the words we speak. They are vital to our everyday living. It is interesting to know where our number system began. It is important to know the words associated with the numbers we use.

1 2 3 4 5

The ancient Hindus gave us the number system we use today. In our system we use ten symbols called digits — 0, 1, 2, 3, 4, 5, 6, 7, 8, and 9 — and combinations of these symbols. Our system of numbers is called the DECIMAL or BASE-TEN system. There is little doubt that our ten fingers are the basis of this ten digit system.

In some languages, the word for **five** is the same as the word for **hand.** The word for **ten** is the same as the word for **two hands.** In our language the word **digit** means **finger.** So ten digits, ten fingers. If you want to know more, ask your teacher to provide you with sources of information.

WRITING AND USING NUMBERS

There are many times each day when writing numbers helps us. Not only when we are in school, but maybe more so at home. It is almost impossible to live in our society and not use numbers — either in our system or the metric. Here is a short list of times when we need to know how to use numbers.

- using the telephone
- finding an address
- writing the grocery list
- counting our money
- figuring the paycheck
- writing a check
- working with our budget
- using the calendar
- addressing an envelope
- using the bank account
- playing games
- figuring our age
- using the scales (weighing ourselves)
- driving the car

There are probably many other times that you can think of. So if you have trouble, or need help with numbers, look at the next activity. It will help you.

ACTIVITY 1

Write the words that mean the same as the numbers in your Student Response Booklet. (If you already know how to read and write numbers, go to the next activity.)

1 - one
2 - two
3 - three
4 - four
5 - five
6 - six
7 - seven
8 - eight
9 - nine
10 - ten
11 - eleven
12 - twelve
13 - thirteen
14 - fourteen
15 - fifteen
16 - sixteen
17 - seventeen
18 - eighteen
19 - nineteen
20 - twenty
21 - twenty-one
22 - twenty-two
23 - twenty-three
24 - twenty-four
25 - twenty-five
26 - twenty-six
27 - twenty-seven
28 - twenty-eight
29 - twenty-nine
30 - thirty
40 - forty
50 - fifty
60 - sixty
70 - seventy
80 - eighty
90 - ninety
100 - one hundred

USING WEIGHTS AND MEASURES

We use weights and mesures many times each day. We use them at home. We use them on the job. Look at this list. You can probably think of many more.

- reading labels
- weighing yourself
- buying groceries such as meat and vegetables
- putting air in car or bicycle tires
- buying bags of salt, sand, or cement
- weighing newborn babies
- weighing food for special diets
- buying fabric for sewing
- traveling to another city
- laying a carpet
- fencing in a yard
- measuring your height
- buying lumber
- painting a wall
- buying clothes

AT THE STORE

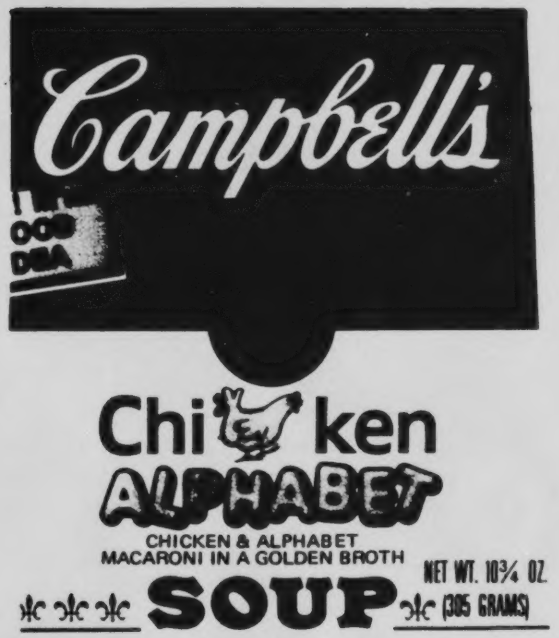
As the metric measures become more common, you will notice goods using these expressions. Labels on products will have the **weight** in grams, or kilograms. The **volume** will be expressed in liters or milliliters. The **length** will be stated as meters, centimeters, or millimeters.

You will often find both kinds of measurements on the packaged goods. **Weights** in our system will be in ounces and pounds. **Fluid measures** will be expressed as pints, quarts, and gallons. The **dry measures** will also be the same. Bushels, pecks, and dry quarts will still be familiar terms.

12
9
3
half pint

There are those who say the metric labeling is much easier to use when shopping. We will look at some labels, study the metric system in other ways, and then draw our own conclusions.

Look at this label from a can of Campbell's Soup.



The front of the label tells the name of the soup. It gives the contents of the can. The weight is listed in both METRIC and ENGLISH weights.

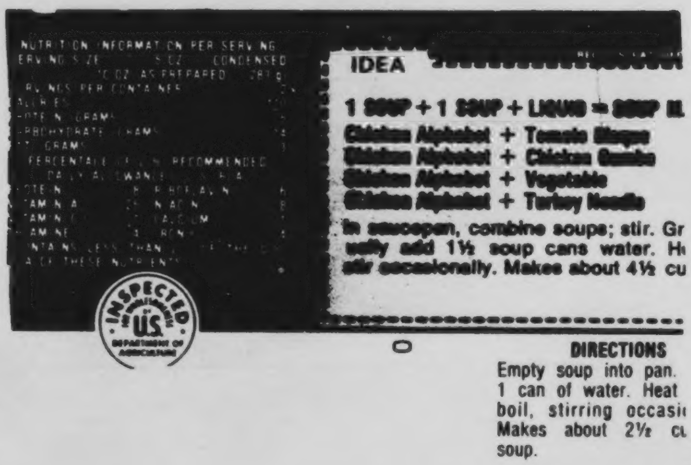
NET WT. 10 3/4 oz. (English)
305 grams (Metric weight)
Read the chart to see how many grams are in an ounce. Note the abbreviations for both terms.

1 ounce = 28.35 gram
8 ounces = 226.8 gram

The abbreviation for ounce is oz.

The abbreviation for gram is g

The back of the label gives more information. Notice the serving size. The weight per serving is 5 oz. Read the directions on the label. If you add one can of water, the serving size is then 10 oz. or 283 grams.



NUTRITION INFORMATION PER SERVING
SERVING SIZE 5 OZ CONDENSED
10 OZ AS PREPARED 283 g

IDEA

1 SOUP + 1 SOUP + LIQUID = SOUP
Chicken Alphabet + Tomato Bisque
Chicken Alphabet + Chicken Gumbo
Chicken Alphabet + Vegetable
Chicken Alphabet + Turkey Noodle

In saucepan, combine soups; stir. Gr
ually add 1½ soup cans water. H
stir occasionally. Makes about 4½ cu

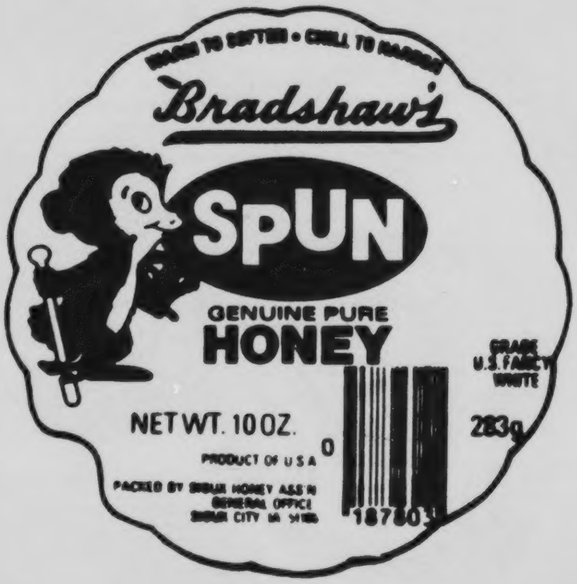
DIRECTIONS
Empty soup into pan.
1 can of water. Heat
boil, stirring occasi
Makes about 2½ cu
soup.

To change ounces to grams,
MULTIPLY.

Examples: 28.35 x 8 = 226.8 g
28.35 x 10 = 283 g

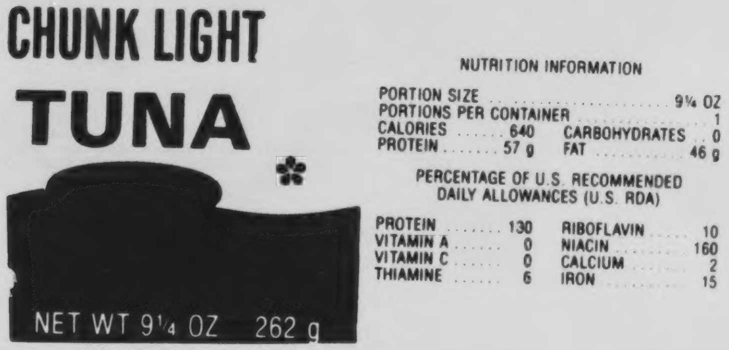
ACTIVITY 2

Read each label. Answer the questions. Write the answers in the Student Response Booklet. Check your work with the Answer Key on the last page of the packet.


WARM TO SOFTEN • CHILL TO HARDEN
Bradshaw's
SPUN
GENUINE PURE
HONEY
GRADE
U.S. FANCY
WHITE
NET WT. 10 OZ.
283g
PRODUCT OF U.S.A.
PACKED BY SIOUX HONEY ASS'N
GENERAL OFFICE
SIOUX CITY IA
18703

1. Give the weight of this jar of honey - in ounces.
2. Give the weight of this jar of honey - in grams.
3. Show the math process for changing ounces to grams.

Read this label from a can of tuna. Answer the following questions:



CHUNK LIGHT

TUNA

NET WT 9¼ OZ 262 g

NUTRITION INFORMATION

PORTION SIZE	9¼ OZ		
PORTIONS PER CONTAINER	1		
CALORIES	640	CARBOHYDRATES	0
PROTEIN	57 g	FAT	46 g

PERCENTAGE OF U.S. RECOMMENDED DAILY ALLOWANCES (U.S. RDA)

PROTEIN	130	RIBOFLAVIN	10
VITAMIN A	0	NIACIN	160
VITAMIN C	0	CALCIUM	2
THIAMINE	6	IRON	15

4. What is the weight of the portion size?
5. How many portions are in the can?
6. How many grams of protein are in the can?
7. How many grams of fat are in the can?
8. How many ounces are in the can?
9. How many grams are in the can?
10. Does one portion equal 262 grams?

USING METRIC CHARTS TO CONVERT MEASURES

In the metric system small amounts of items will be measured in grams. You have already noted this on the labels. Larger items will be figured in kilograms rather than pounds.

1 kilogram = 2.2 pounds
2.2 lbs. = 1000 grams

ACTIVITY 3

1) 1 kilogram = 1000 grams
2) 1 hectogram = 100 grams
3) 1 deckagram = 10 grams
4) 1 gram = 1 gram
5) 1 decigram = 0.1 gram
6) 1 centigram = 0.01 gram
7) 1 milligram = 0.001 gram

Use the chart and fill in the answers in the Student Response Booklet. Remember that grams are used to express weight.

ACTIVITY 4

Use the chart and fill in the answers in the Student Response Booklet. Remember that meters are used to express **length of distance.**

1) 1 kilometer = 1000 meters
2) 1 hectometer = 100 meters
3) 1 dekameter = 10 meters
4) 1 meter = 1 meter
5) 1 decimeter = 0.1 meter
6) 1 centimeter = 0.01 meter
7) 1 millimeter = 0.001 meter

SPEED LIMIT
80
km/h

ACTIVITY 5

Use the chart and fill in the answers in the Student Response Booklet. Remember that liters and milliliters are used to express volume or capacity.

1 hectoliter = 100 liters
1 dekaliter = 10 liters
1 liter = 1 liter
1 deciliter = 0.1 liter
1 centiliter = 0.01 liter
1 milliliter = 0.001 liter

1 pint = 470 milliliters
4 quarts = 1 gallon or
3 liters + 800 milliliters

TEMPERATURE

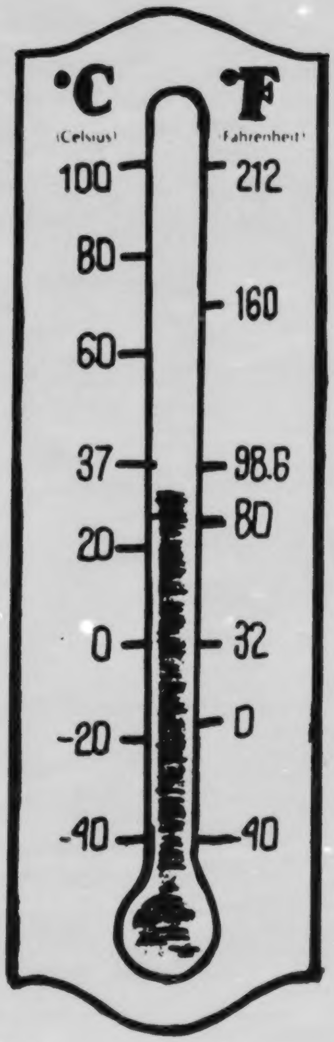
Prefixes are not commonly used with temperature measurements. Experience is the only way to learn about temperatures in degrees Celsius. The following chart will help you compare the readings on the thermometer in both our customary system and the metric system.

0°C	Freezing Point of Water (32°F)
10°C	A warm winter day (50°F)
20°C	A spring day (68°F)
30°C	A hot day (86°F)
37°C	Normal body temperature (98.6°F)
100°C	Boiling point of water (212°F)

ACTIVITY 6

Show on the thermometer in your Student Response Booklet the following:

212°F ..... water boils
98.6°F ...... body temperature
32°F ...... water freezes



Mark these places with a red pen.

ACTIVITY 7

Write the abbreviation for each word. Use the chart to help you. Write the answer in the Student Response Booklet.

1. inch ________ in. ________
2. foot ________________
3. yard ________________
4. mile ________________
5. teaspoon ________ or ________
6. tablespoon ________ or ________
7. ounce ________________
8. pound ________________
9. ton ________________
10. second ________________
11. minute ________________
12. hour ________________
13. week ________________
14. month ________________
15. year ________________
16. cup ________________
17. pint ________________
18. quart ________________
19. gallon ________________
20. Fahrenheit ________________

CHART

LIQUID OR DRY MEASURE

teaspoon = tsp. = t.
tablespoon = tbs. = T.
ounce = oz.
cup = c.
pint = pt.
quart = qt.
gallon = gal.

inch = in.
foot = ft.
yard = yd.
mile = mi.

WEIGHT

ounce = oz.
pound = lb.
ton = t.

TEMPERATURE

Fahrenheit = F.

TIME

second = sec.
minute = min.
hour = hr.
week = wk.
month = mo.
year = yr.

ACTIVITY 8

Write the abbreviations for each of these METRIC measurements. Use the chart to help. Write the answers in the Student Response Booklet.

1. millimeter
2. centimeter
3. decimeter
4. meter
5. dekameter
6. hectometer
7. kilometer
8. milligram
9. centigram
10. decigram
11. gram
12. dekagram
13. hectogram
14. kilogram
15. milliliter
16. centiliter
17. deciliter
18. liter
19. dekaliter
20. hectoliter
21. kiloliter

CHART

LIQUID OR DRY MEASURE

milliliter = ml.
centiliter = cl.
deciliter = dl.
liter = l.
dekaliter = dal.
hectoliter = hl.
kiloliter = kl.

WEIGHT

milligram = mg.
centigram = cg.
decigram = dg.
gram = g.
dekagram = dag.
hectogram = hg.
kilogram = kg.
metric ton = t.

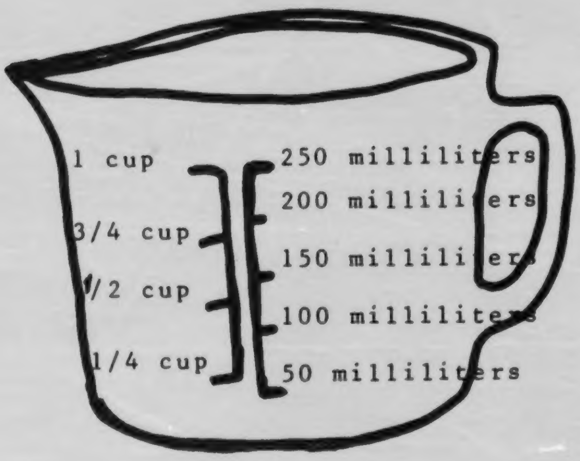
LINEAR MEASURE

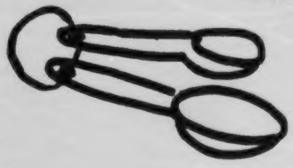
millimeter = mm.
centimeter = cm.
decimeter = dm.
meter = m.
dekameter = dam.
hectometer = hm.
kilometer = km.

ACTIVITY 9

Some of the measurements used most often in the home are those for cooking and baking. The way we measure for cooking now will not be too different. Metric "cup and spoon" measures are only slightly larger than those that we now use. In fact, they can be used interchangeably.

Look at the charts in your packet. Read the numbers on the measuring cup. Read the measurements for the tablespoon and teaspoon. See if you can convert this recipe to the metric measurements. Write your answer in the Student Response Booklet.


1 cup
250 milliliters
200 milliliters
3/4 cup
150 milliliters
1/2 cup
100 milliliters
1/4 cup
50 milliliters



1 teaspoon = 5 milliliters
1 tablespoon = 15 milliliters

Mocha Frost Serves 4

2 1/2 cups cold extra strong coffee
5 tablespoons chocolate syrup
2 cups vanilla ice crean

Place all ingredients in the blender and beat until smooth. Pour into tall, chilled glasses.

CALCULATING SURFACE AREAS.

The solution to an everyday problem is given here. The problem is worked in the English and Metric system.

PROBLEM:

What is the area of the floor of a room if it has these dimensions:

ENGLISH Measurement	METRIC Measurement
Length — 15 ft.	450 centimeters
Width — 12 ft.	360 centimeters

SOLUTION:

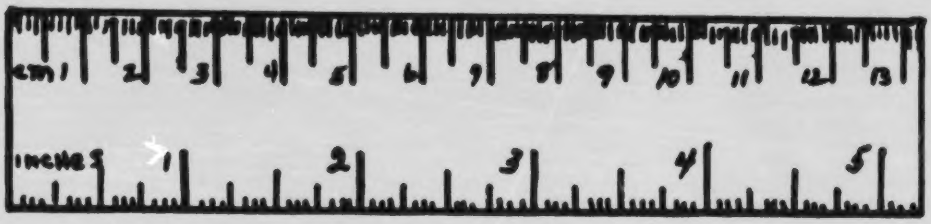
Multiply length x width (L x W)

15 x 12 = 180 sq. feet

(In the English System your answer will be in sq. feet when you multiply feet x feet)

450 x 360 = 162,000 sq. cm

(In the Metric system, your answer will be in sq. cm when you multiply cm x cm)



12 inches = 1 foot
30 centimeters = 1 foot

ACTIVITY 10

Find the solutions to these problems. Use the chart to help. Write your answer in the Student Response Booklet.

1) 180 square feet = ________ square yards
2) 162,000 sq. cm = ________ square meters

> Total square feet ÷ by the number of square feet in a square yard (9) = the number of square yards.
>
> Total square centimeters ÷ by the number of square centimeters in a square meter (10,000) = the number of square meters; or you could move the decimal point 4 places to the left.

SOLVING WEIGHT PROBLEMS

The solution to another everyday problem is given here. The problem is worked both in the English and Metric System.

PROBLEM:

What is the approximate weight of the food in this bag of groceries? In pounds. In kilograms.

	English Measurement	Metric Measurement
Sugar	5 lb. (pounds)	2.3 kilograms
Flour	2 lb. (pounds)	.9 kilogram
Meat	8 lb. 8 oz.	4.0 kilograms
Cereal	1 lb. (pound)	.45 kilograms
	16 lb. 8 oz. or 16½ lb.	7.65 kilograms

SOLUTION:

The total pounds are determined by adding the lbs. column. The total kilograms are determined by adding the kg. column.

1 ounce = 28.35 grams
4 oz. = 113.4 g
1/2 pound
8 oz. = 226.8 g
1 lb. = .45 kilograms
2 lb. = .9 kilograms
5 lb. = 2.3 kg

ACTIVITY 11

Convert 7.65 kilograms to grams. The chart will help you. Write your answer in the Student Response Booklet. Check your work with the Answer Key.

1000 grams = 1 kilogram

VOLUME is a word that we use when talking about liquid measurements. Since we use liquid measurements everyday we will present a problem for you. It will be presented in both the English and Metric systems.

PROBLEM:

What is the volume of these two mixtures. They are comparable, but not equal mixtures. How many gallons? How many liters?

	English Measurement	**Metric Measurement**
Gasoline	1 gal. 2 qt. 1 pt.	6.5 liters
Milk	3 qt. and 1 pt.	3.5 liters
Cream	one half pt. (1/2)	250 milliliters

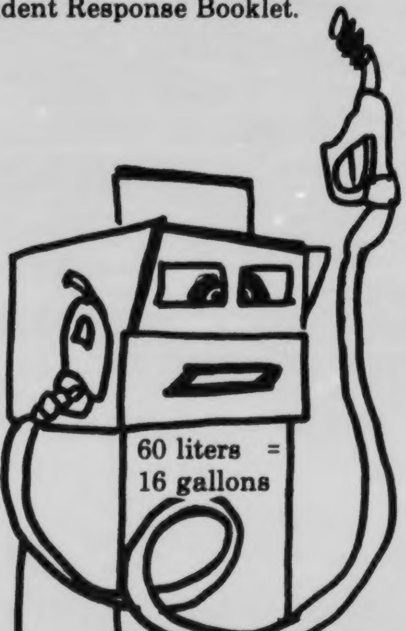
SOLUTION:

This is an example of one way to solve the problem.

	gal	**qt**	**pt**	**liters**
Gas	1	2	1	6.5
Milk		3	1	3.5
Cream			1/2	0.25
Totals	1	5	2 1/2	10.25

ACTIVITY 12

If you add: 1 gal. + 5 qts. + 2½ pts. you will get 2½ gallons. Look at the problem example. Tell how many liters equal 2½ gallons. Write the answer in the Student Response Booklet.



CONSUMER ECONOMICS - 2
ANSWER KEY

ACTIVITY 1

No answers required. See Activity 1.

ACTIVITY 2

1. 10 ounces
2. 283 grams
3. 28.35 x 10 = 283 grams
4. 9¼ ounces
5. one
6. 57 grams
7. 46 grams
8. 9¼ ounces
9. 262 grams
10. True

ACTIVITY 3

1. 1000 grams
2. 100 grams
3. 10 grams
4. 1 gram
5. 0.1 gram
6. 0.01 gram
7. 0.001 gram

ACTIVITY 4

1. 1000 meters
2. 100 meters
3. 10 meters
4. 1 meter
5. 0.1 meter
6. 0.01 meter
7. 0.001 meter

ACTIVITY 5

1. 100 liters
2. 10 liters
3. 1 liter
4. 0.1 liter
5. 0.01 liter
6. 0.001 liter

ACTIVITY 6

Thermometer is to be used for answer.

ACTIVITY 7

1. in or ″
2. ft. or ′
3. yd.
4. mi.
5. tsp. or t.
6. tbs. or T.
7. oz.
8. lb.
9. t.
10. sec.
11. min.
12. hr.
13. wk.
14. mo.
15. yr.
16. c.
17. pt.
18. qt.
19. gal.
20. F.

ACTIVITY 8

1. mm
2. cm
3. dm
4. m
5. dam
6. hm
7. km
8. mg
9. cg
10. dg
11. g
12. dag
13. hg
14. kg
15. ml
16. cl
17. dl
18. l
19. dal
20. hl
21. kl

ACTIVITY 9

2 1/2 cups = 625 milliliters cold coffee
5 tablespoons = 75 milliliters
2 cups = 500 milliliters

ACTIVITY 10

1. 20 square yards 2. 16.2 square meters

ACTIVITY 11

1. 7650 grams.

ACTIVITY 12

1. 10.25 = 2 1/2 gallons.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 2

CONVERTING
WEIGHTS AND MEASURES

NAME ____

DATE______________________

ACTIVITY 1

Write the words that mean the same as the numbers.

1. ________
2. ________
3. ________
4. ________
5. ________
6. ________
7. ________
8. ________
9. ________
10. ________
11. ________
12. ________
13. ________
14. ________
15. ________
16. ________
17. ________
18. ________
19. ________
20. ________
21. ________
22. ________
23. ________
24. ________
25. ________
26. ________
27. ________
28. ________
29. ________
30. ________
40. ________
50. ________
60. ________
70. ________
80. ________
90. ________
100. ________

ACTIVITY 2

1. The weight of the jar of honey is ________ ounces.
2. The weight of the jar of honey is ________ grams.
3. The math process for changing the ounces to grams is: ________
____
4. The weight of the portion size is ________.
5. There are ________ in the can.
6. There are ________ grams of protein in the can.
7. There are ________ grams of fat in the can.
8. There are ________ ounces in the can.
9. There are ________ grams in the can.
10. True ________ False ________

ACTIVITY 3

1. 1 kilogram equals ______________ grams.
2. 1 hectogram equals ______________ grams.
3. 1 deckagram equals ______________ grams.
4. 1 gram equals ______________ grams.
5. 1 decigram equals ______________ grams.
6. 1 centigram equals ______________ grams.
7. 1 milligram equals ______________ grams.

ACTIVITY 4

1. 1 kilometer equals ______________ meters.
2. 1 hectometer equals ______________ meters.
3. 1 dekameter equals ______________ meters.
4. 1 meter equals ______________ meter.
5. 1 decimeter equals ______________ meter.
6. 1 centimeter equals ______________ meter.
7. 1 millimeter equals ______________ meter.

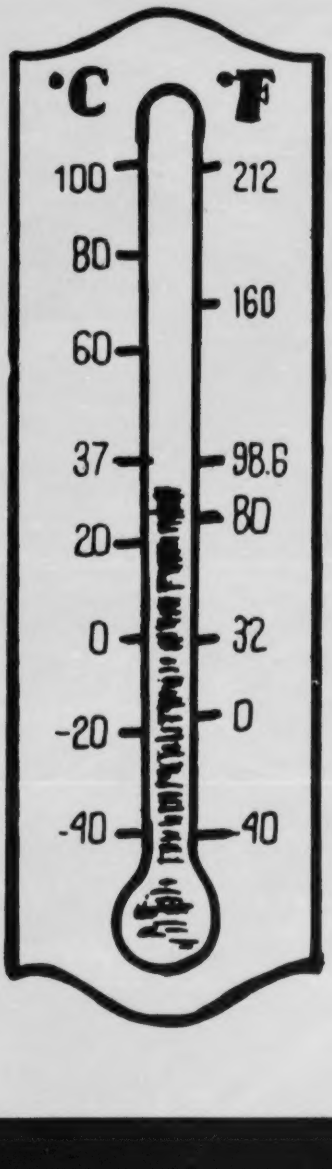
ACTIVITY 5

1. 1 hectoliter equals ______________________________ liters.
2. 1 dekaliter equals ______________________________ liters.
3. 1 liter equals ______________________________ liter.
4. 1 deciliter equals ______________________________ liter.
5. 1 centiliter equals ______________________________ liter.
6. 1 milliliter equals ______________________________ liter.

ACTIVITY 6

Show on the thermometer the following:

212°F .... water boils
98.6°F .... body temperature
32°F .... water freezes



ACTIVITY 7

1. inch __________
2. foot __________
3. yard __________
4. mile __________
5. teaspoon ______ or ________
6. tablespoon ______ or ________
7. ounce __________
8. pound __________
9. ton __________
10. second __________
11. minute __________
12. hour __________
13. week __________
14. month __________
15. year __________
16. cup __________
17. pint __________
18. quart __________
19. gallon __________
20. Fahrenheit __________

ACTIVITY 8

1. millimeter ______________________________
2. centimeter ______________________________
3. decimeter ______________________________
4. meter ______________________________
5. dekameter ______________________________
6. hectometer ______________________________
7. kilometer ______________________________
8. milligram ______________________________
9. centigram ______________________________
10. decigram ______________________________
11. gram ______________________________
12. dekagram ______________________________
13. hectogram ______________________________
14. kilogram ______________________________
15. milliliter ______________________________
16. centiliter ______________________________
17. deciliter ______________________________
18. liter ______________________________
19. dekaliter ______________________________
20. hectoliter ______________________________
21. kiloliter ______________________________

ACTIVITY 9

Convert the measurement in this receipe to metric measurements.

Moca Frost Serves 4

2 1/2 cups cold extra strong coffee ______________________________

5 tablespoons chocolate syrup ______________________________

2 cups vanilla ice cream ______________________________

ACTIVITY 10

1. 180 square feet = ______________________________ square yards.
2. 162,000 square cm = ______________________________ square meters.

ACTIVITY 11

1. 7.65 kilograms = ______________________________ grams

ACTIVITY 12

1. 2 1/2 gallons = ______________________________ liters.

CE-3: SALES AND INCOME TAXES - Part I

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will understand sales tax.

INTRODUCTION:

Part I and Part II of **Sales and Income Taxes** is designed to help the student understand and learn to read materials dealing with both sales and income taxes. The student will also be instructed in the purposes of these taxes and what items are taxable. It would benefit the student most if he/she does study both packets. It is conceivable though that for some only one part would apply. This is a matter of discretion for the student and instructor.

ADAPTABILITY:

The packet is designed so that the student can work independently. However, one-to-one tutorial and group discussion are both methods that would be of benefit to most students.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase I and II.

MATHEMATICAL SKILLS:

The student will be working with computations necessary when dealing with sales taxes. If the student has limited math, these skills will need to be taught while working in this packet.

ADDITIONAL MATERIALS:

Annual Report of the Indiana Department of Revenue, Research Division, Indianapolis, Indiana, Telephone Number (317) 232-2330.

Be Informed on Taxes, Chapters 1 and 2, **Be Informed Series,** New Readers Press.

PRE/POST TEST:

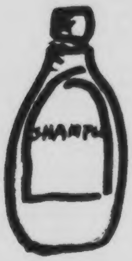
The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or an oral assessment. There are ten questions on the test. The student should score between 90% and 100% in order to test out of or complete the packet.

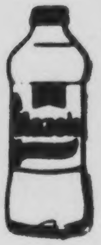
SKILLS OBJECTIVES:

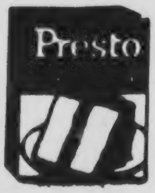
- Reading
  - Develops vocabulary and spelling
  - Notes detail
  - Follows directions
  - Uses references
  - Locates information on tax tables
- Writing
  - Makes a list
  - Writes letters
- Speaking, Listening, Viewing
  - Presents information
  - Seeks information
  - Interprets ideas
  - Clarifies issues
- Problem Solving
  - Identifies problem
  - Obtains information
  - Examines alternatives
  - Determines plan of action
- Interpersonal Relations
  - Interacts with others
- Computation
  - Adds
  - Subtracts
  - Multiplies

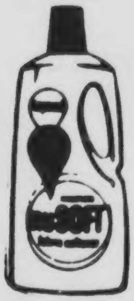
CE-3
SALES AND INCOME TAX - PART I
PRE/POST TEST

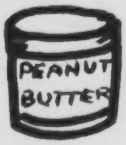
Which items have sales tax? Write "yes" if you have to pay sales tax on the item and "no" if you do not have to.











1 ______________ 2 ______________ 3 ______________ 4 ______________ 5 ______________

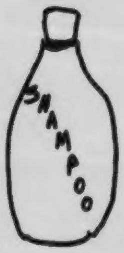
Here is part of the sales tax chart. Use the chart to work these problems.

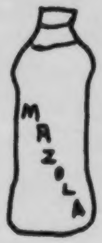
Amount Between		Collect Tax
0	15	No Tax
16	37	01
38	62	02
63	87	03
88	1 12	04
1 13	1 37	05
1 38	1 62	06
1 63	1 87	07
1 88	2 12	08
2 13	2 37	09
2 38	2 62	10
2 63	2 87	11
2 88	3 12	12
3 13	3 37	13
3 38	3 62	14
3 63	3 87	15
3 88	4 12	16
4 13	4 37	17
4 38	4 62	18
4 63	4 87	19
4 88	5 12	20
5 13	5 37	21
5 38	5 62	22
5 63	5 87	23

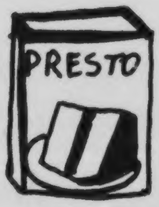
1. How much tax would you pay on .19¢? _______
2. How much tax would you pay on $3.28? _______
3. How much tax would you pay on $5.24? _______
4. How much tax would you pay on $1.63? _______
5. How much tax would you pay on $2.88? _______

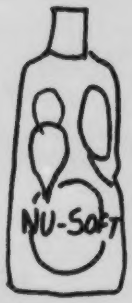
CE-3
SALES AND INCOME TAX - PART I
PRE/POST TEST ANSWER KEY

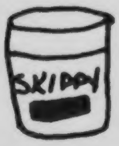
Which items have sales tax? Write "yes" if you have to pay sales tax on the item and "no" if you do not have to.











1 yes 2 no 3 no 4 yes 5 no

Here is part of the sales tax chart. Use the chart to work these problems.

Amount Between		Collect Tax
0	15	No Tax
16	37	01
38	62	02
63	87	03
88	1 12	04
1 13	1 37	05
1 38	1 62	06
1 63	1 87	07
1 88	2 12	08
2 13	2 37	09
2 38	2 62	10
2 63	2 87	11
2 88	3 12	12
3 13	3 37	13
3 38	3 62	14
3 63	3 87	15
3 88	4 12	16
4 13	4 37	17
4 38	4 62	18
4 63	4 87	19
4 88	5 12	20
5 13	5 37	21
5 38	5 62	22
5 63	5 87	23

1. How much tax would you pay on .19¢? 1¢
2. How much tax would you pay on $3.28? 13¢
3. How much tax would you pay on $5.24? 21¢
4. How much tax would you pay on $1.63? 7¢
5. How much tax would you pay on $2.88? 12¢

To the student . . .

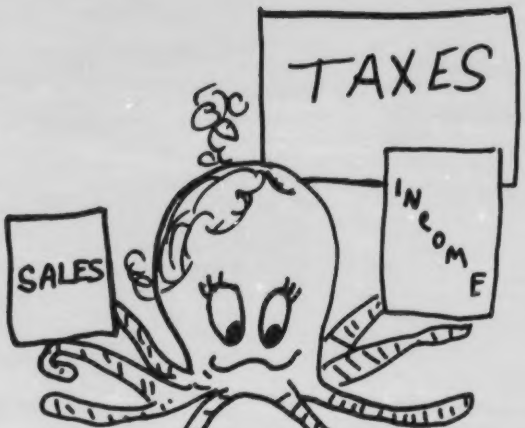
This unit consists of two parts. When you complete Part 1 of this SAT Packet, you will know more about sales tax. You will learn about items that have sales tax and how to figure this tax.

In Part II you learn about income tax. You will benefit most by completing both parts of this packet.

There are some words you may need help with. If you cannot read any of these words ask your teacher for help.

- charge
- item
- local
- pay
- purchase
- receipt
- sales
- store
- tax
- taxpayer

The General Assembly
Sales Tax Division



TAXES!!
What are they? Are they fair? Men have been asking these questions since time began. Men have been paying taxes almost that long. Taxes will continue to be an important part of our lives.

We are assessed a tax (or rate of duty) by the State for what we buy. It must be paid. Since there are many kinds of taxes and many sources of collecting these, we will limit this lesson to SALES TAX.

The State of Indiana has three main sources of state taxes. They are:

1. State Income Tax
2. State Motor Fuel Tax
3. State Sales Tax

Some people think property tax is a state tax. It is a local tax, not a state tax. So remember in this lesson we are talking about only one kind of tax, the SALES TAX.

The Indiana General Assembly enacted the sales tax law in 1963. The first full year that this tax was collected from us was in 1965. This helped raise our per capita state taxes to $332.53 by 1975.

The sales tax you pay depends upon the state in which you live. Each state has its own sales tax. The sales tax in Indiana may be different from other states. If you live in Ohio or Michigan, the tax will probably be more than ours in Indiana.

Sales taxes are collected on goods sold in stores. Some states tax private sales. If you buy a car from another person, you might have to pay a sales tax. Some states even tax the food you buy in stores and restaurants. Other states don't require a sales tax on food. The state will decide how much the sales tax will be.

Around Indiana

The Sales Tax Division is set up to collect the Indiana Sales Tax. The sales tax is due on any retail sale or leasing of personal property. Out of state retailers are permitted to collect and remit Indiana sales tax if they apply for a permit.

If you want more information about the sales tax, there are 97 booklets printed. You can get copies by writing to the Sales Tax Division.

You can see that you need to know how much sales tax will be added to your bill when you buy something. It is important to know how to figure the sales tax. You will then know how to figure the total cost when buying. You will also know how much money you will spend.

Are taxes fair? Does the taxpayer receive benefits from his taxes? What is the tax used for? What items can be taxed? All of these questions should be answered when you complete this packet. Let's take the first question. "Are taxes fair?" Some people think so. Some people do not agree. It all depends on the person. So you will have to see what taxes you are paying and decide. But most important in this packet is the sales tax. This is the tax you need to know about. Then you can decide if you think it is fair to pay this tax.

ACTIVITY 1

We pay state sales tax on these items. Decide if you think this is fair to you. Write a few sentences in your Student Response Booklet and tell how you feel about this. Here are the items:

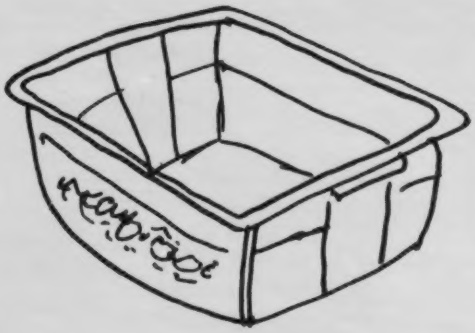
- gasoline
- telephone
- electricity
- liquor and beer
- cigarettes and tobacco

What happens to the tax the state collects? Your sales tax is put into a **general fund.** Many types of services are supported by this fund.

Some of the money is placed in a **dedicated account.** This means that the money can be spent for only certain items. So most of the sales tax goes into the general fund. It can be spent as the state wants to spend the money.

Our state tax money is spent for the following:

- education
- highways
- health

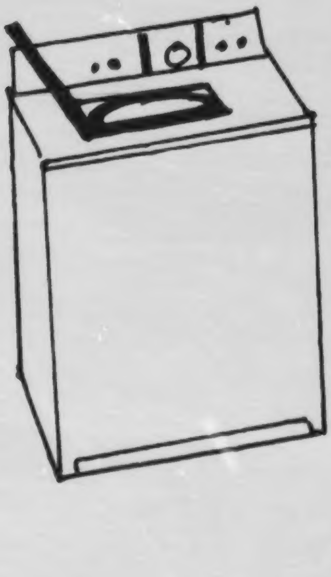


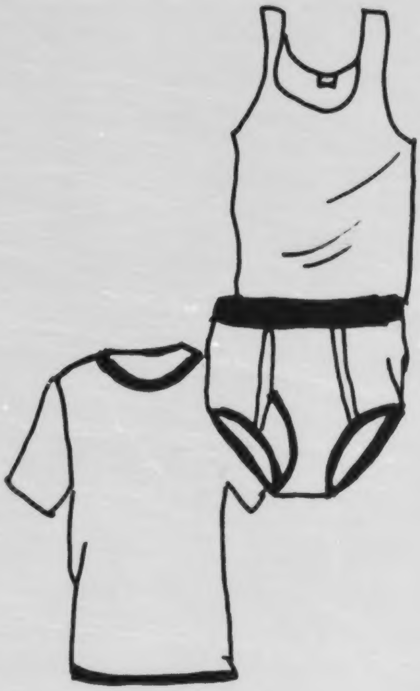
ACTIVITY 2

Try to add to this list. Talk to others at school and at home. Then write a list of items in the Student Response Booklet.

Remember . . . whether or not the sales tax is fair depends on several things. If you pay your share or more than your share, and if you receive benefits in return, then you probably consider it fair. But if not, you might feel differently about it. You can see that the questions are not easy to answer. But one thing is certain . . . WE HAVE TO PAY TAXES.

Since Indiana has a sales tax, each time we go to a store and buy something, we pay the sales tax.





But Indiana does not charge sales tax on food bought at the grocery store. We only pay sales tax on things which are not food. Some of these things are aluminum foil, paper napkins, and laundry soap.

Indiana **does** charge sales tax on the food at restaurants. Food eaten out is taxed. Food bought at a grocery store is not taxed.

PIZZA HUT

BURGER CHEF

RED LOBSTER

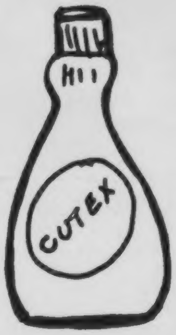
Mc DONALD'S

ARTHUR TREACHER's
Fish & Chips

Burger Chef.

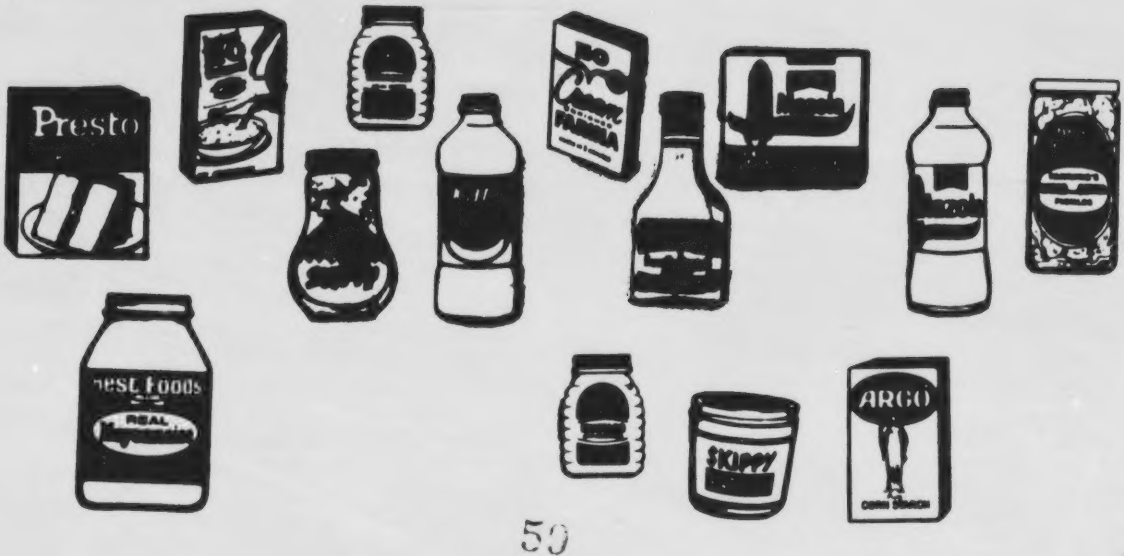
McDonald's

Indiana has a 4% sales tax. This means that every time you spend $1.00, you must pay $.04 more in tax.

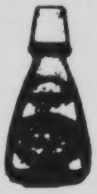


This is a bottle of polish remover. It costs $1.00. The price you will pay with tax is $1.04. The store will keep $1.00. Indiana will collect $.04 in tax.

Here are some food items which are not taxed.



Here are some items which are not food. These items can be bought in a grocery store. We **must** pay tax on these items.



FABRIC FINISH

Sales clerks and check-out people use tables for sales tax. This is a sales tax table that many stores use.

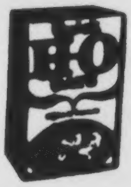
Look at the items below. Some of them are food items. They are not taxed or non-taxable. Some of the items are **not** foods. We pay taxes on these things.

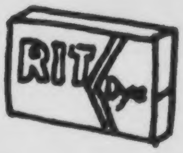
INDIANA 4% SALES TAX CHART

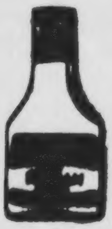
unt between	Collect Tax	Amount Between	Collect Tax	Amount Between	Collect Tax
0 15	No Tax	5 88- 6 12	24	11 88 12 12	48
16 37	01	6 13- 6 37	25	12 13-12 37	49
38 62	02	6,38- 6 62	26	12 38-12 62	50
63 87	03	6 63- 6 87	27	12 63-12 87	51
88 1 12	04	6 88- 7 12	28	12 88-13 12	52
1 13 1 37	05	7 13- 7 37	29	13 13 13 37	53
1 38 1 62	06	7 38- 7 62	30	13 38-13 62	54
1 63 1 87	07	7 63- 7 87	31	13 63 13 87	55
1 88 2 12	08	7 88- 8 12	32	13 88 14 12	56
2 13 2 37	09	8 13- 8 37	33	14 13 14 37	57
2 38 2 62	10	8 38- 8 62	34	14 38 14 62	58
2 63 2 87	11	8 63- 8 87	35	14 63 14 87	59
2 88 3 12	12	8 88- 9 12	36	14 88 15 12	60
3 13 3 37	13	9 13- 9 37	37	15 13 15 37	61
3 38 3 62	14	9 38- 9 62	38	15 38 15 62	62
3 63 3 87	15	9 63- 9 87	39	15 63 15 87	63
3 88 4 12	16	9 88-10 12	40	15 88 16 12	64
4 13 4 37	17	10 13-10 37	41	16 13 16 37	65
4 38 4 62	18	10 38-10 62	42	16 38 16 62	66
4 63 4 87	19	10 63-10 87	43	16 63 16 87	67
4 88 5 12	20	10 88-11 12	44	16 88-17 12	68
5 13 5 37	21	11 13-11 37	45	17 13 17 37	69
5 38 5 62	22	11 38-11 62	46	17 38 17 62	70
5 63 5 87	23	11 63-11 87	.47	17.63 17 87	71

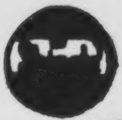
ACTIVITY 3

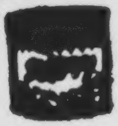
Look at these pictures. Which items are taxed? Which are not? List all food items under the non-taxable column. List other items under the taxable columns. Write the answers in your Student Response Booklet.

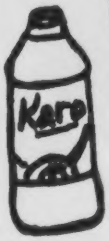


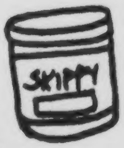


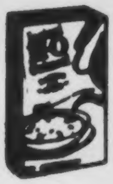






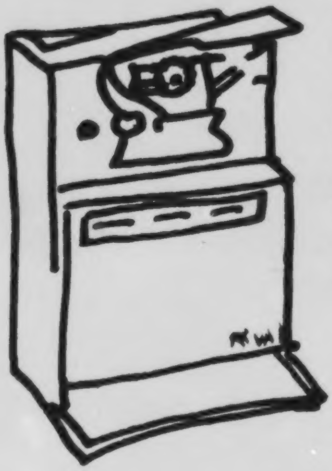






MAIZE
SYRUP
Mazola
Margarine
Bosco

When you are finished, check your work with the Answer Key.



This is a can opener and knife sharpener. It costs $9.97. The Indiana sales tax chart shows the amount of tax. If an item costs between $9.88 and $10.12, the amount of tax is $.40.

$$\begin{array}{r} \$9.97 \\ .40 \\ \hline \$10.37 \end{array}$$

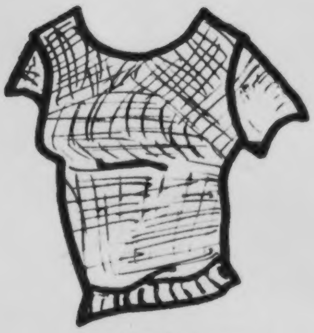
This can opener/sharpener costs $10.37 with tax.

ACTIVITY 4

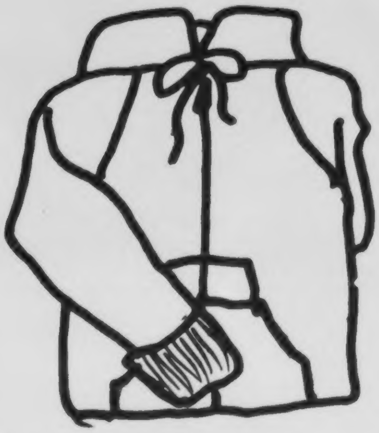
Work these problems. Be sure to add the items together before figuring the tax. Find the amount of tax on the TAX CHART. Add the tax to the price of the items. Write your answer in the Student Response Booklet.

REMEMBER: Do not figure tax on food items. You will add these items together by themselves.

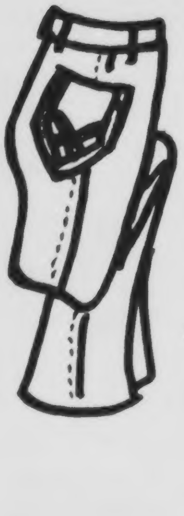
1. Mrs. Hine went to a department store. She bought the following things for herself and her son. How much did she pay?



Knit Blouse
$9.49

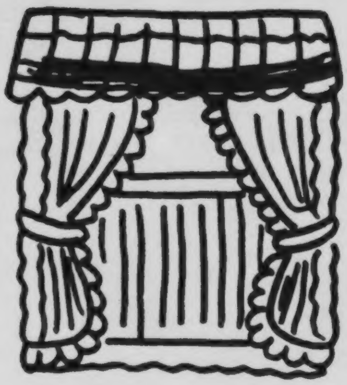


Sweatshirt
$6.95



Cotton Jeans
$12.99

2. Mike Hall went to a hardware store. He bought the following things for his apartment. How much did he spend?



Curtains
$7.19

Paint
$5.49

Garbage Can
$4.33

Kitchen Faucet
$6.97

3. Mr. King went to the grocery. He bought the following items. How much did he spend?

Boiled Ham
$1.49

WEBBER
SAUSAGE

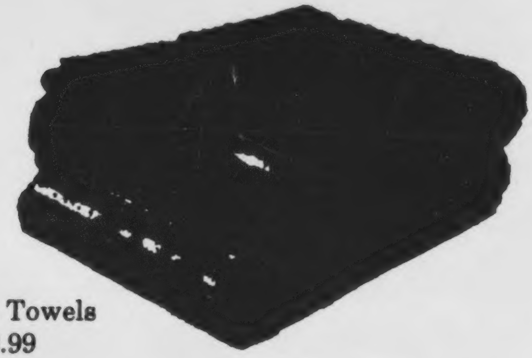
Sausage
$1.37

Mayonnaise
$.99

Tomatoes
$.49

Orange Juice
$1.29

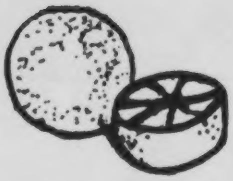
4. Ann Kerr bought the following items to give as gifts. How much did she spend?



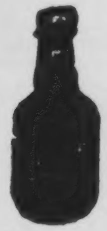
2 Bath Towels
$9.99

Hair Dryer
$11.95

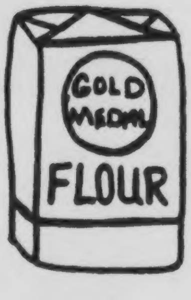
5. Mrs. Edwards went to the grocery store to pick up some things for her family. How much did she spend?



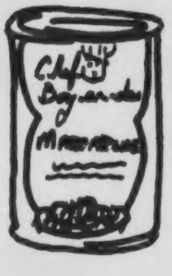
Oranges
$.99



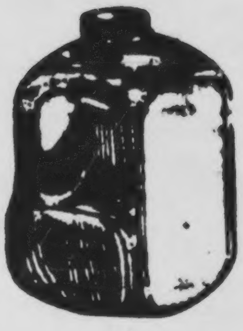
Catsup
$.77


GOLD MEDAL
FLOUR

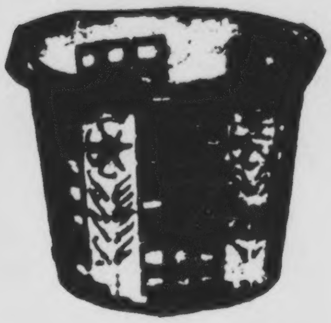
Flour
$.49


Chef Boy-ar-dee
Macaroni

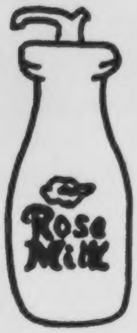
Macaroni Dinner
$.59



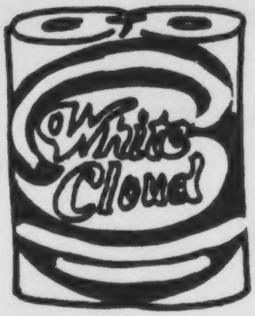
Milk
$1.79



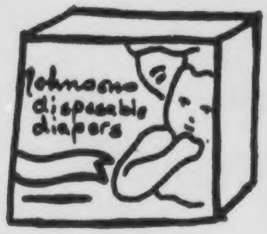
Laundry Basket
$1.29



Lotion
$1.19

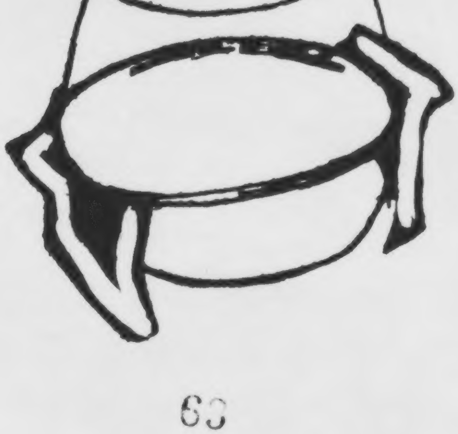

White Cloud

Tissue Paper
$.65


Johnsons
disposable
diapers

Diapers
$1.89

6. Bob bought a popcorn popper for his mother. How much did he pay?



Popcorn Popper
$12.95

CE-3: SALES AND INCOME TAX - Part I
ANSWER KEY

ACTIVITY 1

Any acceptable answer is correct.

ACTIVITY 2

Any acceptable answer is correct.

ACTIVITY 3

NON-TAXABLE ITEMS

1. Oats
2. Mayonnaise
3. Syrup
4. Dressing
5. Sandwich Spread
6. Margarine
7. Nuts
8. Oatmeal
9. Bosco
10. Syrup
11. Peanut Butter

TAXABLE ITEMS

1. Dye
2. Spray Starch
3. Shoe Polish
4. Liquid Starch
5. Fabric Softener

ACTIVITY 4

1. $ 9.49 6.95 + 12.99 $29.43 $29.43 + 1.18 sales tax $30.61 Answer $30.61	2. $ 7.19 5.49 4.33 + 6.97 $23.98 $23.98 + .96 sales tax $24.94 Answer $24.94
3. $1.49 1.37 .99 .49 + 1.29 $5.63 Answer $5.63	4. $ 9.99 + 11.95 $21.94 $21.94 + .88 $22.82 Answer $22.82
5. $ .99 .77 .49 .59 1.79 $4.63 $1.29 1.19 .65 1.89 $5.02 $4.63 5.02 .20 sales tax $9.85 Answer $9.85	6. $12.95 + .52 sales tax $13.47 Answer $13.47

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 3
SALES AND INCOME TAX
Part I

NAME ______________________________

DATE ______________________

ACTIVITY 1

Do you think these things should be taxed? Explain your reasons.

1. gasoline
2. telephone
3. electricity
4. liquor
5. cigarettes

ACTIVITY 2

Make a list of things money from state taxes is used for.

__________ __________ __________ __________

ACTIVITY 3

NON-TAXABLE ITEMS		TAXABLE ITEMS
1. __________	7. __________	1. __________
2. __________	8. __________	2. __________
3. __________	9. __________	3. __________
4. __________	10. __________	4. __________
5. __________	11. __________	5. __________
6. __________		

ACTIVITY 4

1. **Answer** __________	2. **Answer** __________
3. **Answer** __________	4. **Answer** __________
5. **Answer** __________	6. **Answer** __________

CE-3: SALES AND INCOME TAXES-
Part 2

TEACHERS GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will understand income taxes and have had experience in filling out income tax forms.

INTRODUCTION:

This is Part 2 of Sales and Income Taxes. It is designed to help the student learn how to fill out income tax forms. Since more than 25,000 Hoosiers this year will get a phone call or a letter that will cause them at best a little inconvenience and at worst some sleepless nights and a sizable withdrawal from their checking accounts, it seems vitally important to help the adult learner become more familiar with the processes and implications of paying income taxes. The unfortunate one chosen for audit, by a computer at Memphis, Tenn., need to understand their recourse when called upon for an audit. About 67 per cent of those chosen for audit are found to owe additional money. Another 30 per cent will pay no more, and a fortunate 3 per cent discover they are due a refund. Indiana, which makes up one IRS district, ranks 14th out of 58 districts in the number of audits done each year. A greater part of the mistakes made on returns are honest mistakes in math and lack of understanding of how to correctly fill out the forms.

This leads us to the conclusion that a requirement for properly and thoroughly teaching this unit would indicate that a resource person of knowledgeable background in filing, preparing and explaining the process of income tax filing, should be one of the first pre-requisites for the instructor's consideration. We urge that this be given serious consideration and that a group discussion be made possible for the students.

Interaction with others is encouraged as an important method of learning. There are opportunities for the student to make use of actual income tax forms. This realistic approach will add to the student's knowledge and experience, and possibly alleviate much anxiety and frustration.

ADAPTABILITY:

This packet is adaptable for independent or group work; however, teacher assistance and guidance will be needed throughout the activities.

READING LEVEL:

With teacher assistance, the student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:

The student will be working with computations necessary when dealing with income taxes. If the student has limited math, these skills should be taught while working in the packet.

ADDITIONAL MATERIALS:

Federal Income Tax Booklets published by the U.S. Government
Federal Income Tax Forms
The Be Informed Series by New Readers Press
Paycheck/Accent Jobs by Follett Publishing Company

SKILLS OBJECTIVES:

Reading
  Develops vocabulary and spelling
  Notes detail
  Follows directions
  Uses references
  Locates information on tax tables

Writing
  Makes a list
  Writes letters

Speaking, Listening, Viewing
  Presents information
  Seeks information
  Interprets ideas
  Clarifies issues

Problem Solving
  Identifies problem
  Obtains information
  Examines alternatives
  Determines plan of action
  Interpersonal Relations
  Interacts with others

Computation
  Adds
  Subtracts
  Multiplies

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or oral assessment. There are 10 questions on the test. The student should score between 90% and 100% in order to test out of the packet.

CE - 3 - Part 2
SALES AND INCOME TAX PRE/POST TEST

Circle the correct answer:

T F 1. A dependent is a person you support.
T F 2. Your employee is the person you work for.
T F 3. Your gross income does not have to include the money you earn from a second job.
T F 4. If you are getting a refund, the government will pay back monies due you.
T F 5. You may claim 1 exemption for yourself when filing your taxes.

FILL IN THE CORRECT WORD:

6. The total amount you earn in a year is called ______________________________.
7. Listing deductions is called ______________________________.
8. The person you work for is called your ______________________________.
9. The person you are married to is called your husband/wife. Another name for your husband/wife is ______________________________.
10. The term for money taken out of your paycheck for taxes is called ________________.

CE - 3 - Part 2

SALES AND INCOME TAX PRE/POST TEST-ANSWER KEY

rect answer:

[✓ T] F 1. A dependent is a person you support.

T [✓ F] 2. Your employee is the person you work for.

T [✓ F] 3. Your gross income does not have to include the money you earn from a second job.

[✓ T] F 4. If you are getting a refund, the government will pay back monies due you.

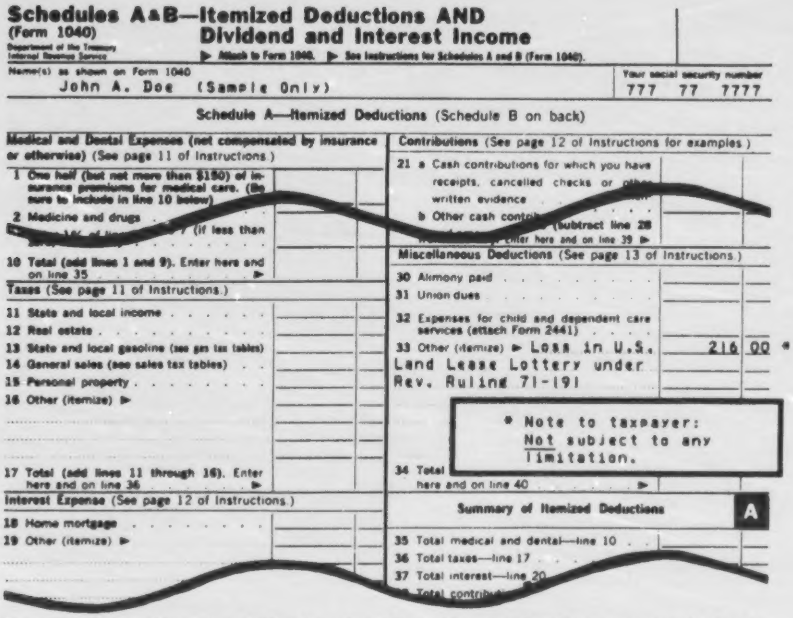
[✓ T] F 5. You may claim 1 exemption for yourself when filing your taxes.

FILL IN THE CORRECT WORD:

6. The total amount you earn in a year is called gross income.
7. Listing deductions is called itemizing .
8. The person you work for is called your employer .
9. The person you are married to is called your husband/wife. Another name for your husband/wife is spouse .
10. The term for money taken out of your paycheck for taxes is withholding.

To the student.....

When you have completed this SAT Packet, you should know more about income taxes. You should understand how to fill out income tax forms. If you have already completed Part I of CE-3, you have learned about sales taxes. Both of these packets will help you learn more about the kind of taxes that must be paid.



Schedules A&B—Itemized Deductions AND Dividend and Interest Income
(Form 1040)
Department of the Treasury
Internal Revenue Service
▶ Attach to Form 1040. ▶ See Instructions for Schedules A and B (Form 1040).

Name(s) as shown on Form 1040: John A. Doe (Sample Only)
Your social security number: 777 77 7777

Schedule A—Itemized Deductions (Schedule B on back)

Medical and Dental Expenses (not compensated by insurance or otherwise) (See page 11 of Instructions.)
1 One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below)
2 Medicine and drugs
(if less than
10 Total (add lines 1 and 9). Enter here and on line 35 ▶

Taxes (See page 11 of Instructions.)
11 State and local income
12 Real estate
13 State and local gasoline (see gas tax tables)
14 General sales (see sales tax tables)
15 Personal property
16 Other (itemize) ▶
17 Total (add lines 11 through 16). Enter here and on line 36 ▶

Interest Expense (See page 12 of Instructions.)
18 Home mortgage
19 Other (itemize) ▶

Contributions (See page 12 of Instructions for examples.)
21 a Cash contributions for which you have receipts, cancelled checks or other written evidence
b Other cash contri
(subtract line 28
enter here and on line 39 ▶

Miscellaneous Deductions (See page 13 of Instructions.)
30 Alimony paid
31 Union dues
32 Expenses for child and dependent care services (attach Form 2441)
33 Other (itemize) ▶ Loss in U.S. Land Lease Lottery under Rev. Ruling 71-191 — 216 | 00 *
34 Total
here and on line 40 ▶

* Note to taxpayer:
Not subject to any limitation.

Summary of Itemized Deductions **A**
35 Total medical and dental—line 10
36 Total taxes—line 17
37 Total interest—line 20

The following portion of a letter from the IRS further substantiates the expenditure incurred in the Federal Government's oil and gas lease drawings as an itemized deduction:

Internal Revenue Service Department of the Treasury

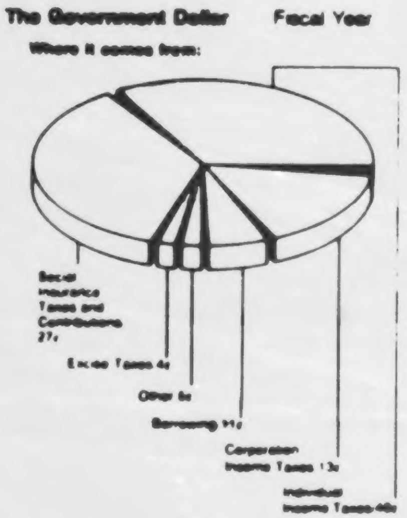
Washington, DC 20224

PLEASE APPEAR
TAX
IRS
TAX
TAX

INCOME TAXES! An ancient and historical book states it this way. "...And there went out a decree that all the world should be taxed." Even under Roman rule and as long as 2000 years ago, people were required to pay taxes. If coins were not available the poorer people traded animals for coins. They used the coins to pay the taxes. There were even tax collectors. Then, as today, taxes seemed unfair to most people. Some states in the U.S. are making great efforts to have our tax laws changed. But we know that with the many kinds of taxes to be paid, they will not all go away. So the next best thing is to try to understand about our tax system. Since this unit covers income taxes, almost anyone who receives a paycheck is affected. We must then file income tax forms once a year to show that we have paid enough.

If too much tax is taken out of our check by the employer, then money will be returned when the tax forms are reviewed. Of course it was our money to begin with. If the employer does not deduct enough money from our check, the individual will still owe more money. It has to be paid. Jail sentences can be imposed on those who do not pay their taxes. So it does help to know how to fill out tax forms. Much trouble can be avoided by learning about the forms and about the different kinds of taxes. You may have someone prepare your tax forms for you. They are called tax consultants. But it still pays to know how to do the job. At least you will want to be familiar with the process. When all is said and done, it is your signature that goes on the final forms. It is you that will be called if there is a mistake on the federal income tax you file.

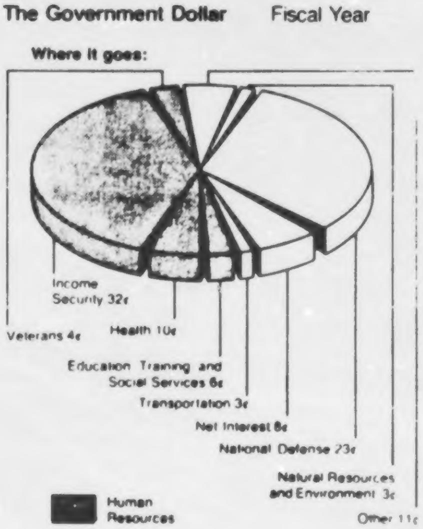
WHERE DOES THE GOVERNMENT GET ITS MONEY? In order to spend money we must have it. The same is true with the government. This chart will tell you about some of the sources for collecting money.



This chart shows that $.40 of each government dollar comes from individual income taxes. These are the taxes which are taken from our paychecks. Here is another way of showing where each government dollar comes from:

$ .40	Individual Income Taxes
.27	Social Insurance Taxes
.13	Corporation Income Taxes
.11	Borrowing
.05	Other
.04	Excise Taxes
$1.00	

HOW DOES THE GOVERNMENT SPEND THE MONEY? Federal Income Tax tells much about how the government spends our money. This chart tells where the money goes.



The chart shows that $.32 of each government dollar was spend on Income Security. Income Security covers special services. Social Security, Unemployment, Disability Benefits, Retirement Benefits, housing and food for the needy are a few of these services. Here is another way of looking at how the government spends our money.

$ .32	Income Security
.23	National Defense
.11	Other
.10	Health
.08	Net Interest
.06	Educational Training and Social Services
.04	Veterans
.03	Transportation
.03	Natural Resources and Environment
$1.00	

ACTIVITY 1

Read these questions. Discuss them with other students or a resource person. Then write a short answer to each one in the Student Response Booklet.

1. Why do we have income tax?
2. For what are income tax monies used?
3. Do we need income tax revenue?
4. Does everyone have to file the same tax form?
5. Does everyone have to file to pay income taxes?

ACTIVITY 2

Look at the list of vocabulary words on the tax forms. Read the list provided in the packet. Each time a word appears on both the tax form and the vocabulary list, write the word in the Student Response Booklet. Then use the word in a sentence.

VOCABULARY WORDS

1. filing status . . .
   tells how you are filing (single, married, jointly, widow, widower)
2. exemptions . . .
   amount you can subtract from your gross income for dependents who live with you.
3. dependent . . .
   person who lives with you and you support.
4. gross income . . .
   total amount you earn in one year.
5. itemize . . .
   listing all deductions.
6. deductions . . .
   amount subtracted from adjusted gross income — you do not have to pay taxes on this amount.
7. spouse . . .
   person to whom you are married.
8. employee . . .
   person who works for someone else.
9. employer . . .
   person you work for/or place you work.
10. income . . .
    total amount of money you earn.
11. refund . . .
    money which will be returned to you if you have overpaid your taxes.
12. taxable income . . .
    amount you will pay taxes on after all deductions have been counted.
13. I.R.S. . . .
    Internal Revenue Service — agency which is responsible for collection of taxes.

WHO MUST FILE A TAX RETURN? Your income and filing status determines whether you must file a tax return. You must file a tax return even if you owe no tax and your income falls within a certain bracket. These rules apply to all U.S. citizens and resident aliens. They also include those under age 21. They apply to nonresident aliens. They apply to resident aliens who are married to citizens or residents of the U.S., and file a joint return. (If you do not understand this, read the pages in the tax guide under FILING STATUS.) Read the CHART for other information to determine who must file. (These amounts were current at time of printing. They are subject to change.)

CHART - WHO MUST FILE? **YOU MUST IF:**

If you were **single** (this also means legally separated, divorced, or married with a dependent child and living apart from your spouse for all of 1979) and:	
Under 65	$3,300
65 or over	4,300
If you were **married filing a joint return** and living with your spouse at the end of 1979 (or on the date your spouse died), and:	
Both were under 65	5,400
One was 65 or over	6,400
Both were 65 or over	7,400
If you were **married filing a separate return** or married but not living with your spouse at the end of 1979	1,000
If you could be **claimed as a dependent** on your parents' return, and had taxable dividends, interest, or other unearned income of $1,000 or more	1,000
If you were a **qualifying widow(er)** with a dependent child and:	
Under 65	4,400
65 or over	5,400
(A qualifying widow(er) who is required to file MUST use Form 1040.)	
If you were allowed to exclude income from sources within U.S. possessions	1,000

You **must** file a tax return if you were SELF-EMPLOYED and your net earnings from this work were at least $400.00.

You **must** file a tax return even if your income is less than the amounts shown.

You **must** file a tax return if you received any advance earned income credit payments from your employer.

You **must** file if you owe any taxes, such as FICA (Social Security) on tips you did not report to your employer.

WHO **SHOULD** FILE A TAX RETURN. Even if your do not have to file a tax return, you **should** if Federal Income Tax was withheld from your pay, or if you can take the Earned Income Credit. In either of these cases you may be able to get money back from the government.

EARNED INCOME CREDIT. If your income is less than $10,000, and you have a child, read about EARNED INCOME CREDIT.

The Earned Income Credit helps many taxpayers who have small incomes. In most cases, you had earned income if you worked last year. Earned income includes:

- wages, salaries, tips, and
- anything else of value (money, goods services) you get from your employer for services you performed.

does not include:

- interest
- dividends
- Social Security payments
- welfare benefits
- veteran's benefits

You **can't** take the EARNED INCOME CREDIT if:

- You are single; or
- You are married filing a separate return; or
- Your income is $10,000 or more.

WHICH FORM DO YOU USE? There are different kinds of forms for filing tax returns. The form you use depends upon a number of things. You SHOULD be able to use **1040A** if:

- You had **only** wages, salaries, tips, interest, dividends, and unemployment compensation.
- You did not have more than $400 in interest or $400 in dividends. Exception: if you had more than $400 in interest or dividends, you can still use Form 1040A if you are filing only to get a refund of the Earned Income Credit.
- Your total income is $20,000 or less ($40,000 or less if you are married filing a joint return).
- You do not itemize your deductions.
- You do not claim adjustments to income.
- You do not claim credits other than the Earned Income Credit or the Political Contributions Credit.

You MUST use **Form 1040** if:

- Your total income is more than $20,000 (more than $40,000 if married and filing a joint return).
- You received more than $400 in interest, or $400 in dividends. Exception: If you had more than $400 of interest or dividends, you can still use Form 1040A if you are filing only to get a refund of the Earned Income Credit.
- You are required to complete Part III of Schedule B (Form 1040) because:
  a. At any time during the year you had an interest in or signature or other authority over a bank account, securities account, or other financial account in a foreign country.
  b. You were a grantor of or a transferor to a foreign trust.
- If you had income other than wages, salaried, tips interest, dividends, and unemployment compensation. Examples are:
  a. Income from self-employment (including farming).
  b. Gain from the sale of your home or other property or capital gain distributions.
  c. Pensions or annuities, including lump-sum distributions.
  d. Alimony.

Different rules apply if you were a nonresident alien at any time, (unless you file a joint return). You may have to file FORM 1040NR, U.S. Nonresident Alien Income Tax Return. Also get Publication 519, U.S. Tax Guide for Aliens.

You may WANT to use Form 1040 and you may pay less tax if:

- You can itemize your deductions.
- You can claim adjustments to income.
- You can claim credits which you can't claim on Form 1040A.

You may HAVE TO use Form 1040 because of:

- The amount or kind of income you receive.
- Your filing status.
- The number of exemptions you claim.
- Forms or schedules you file, or other taxes that can be reported only on Form 1040.

DEDUCTIONS: Here is a test to help you decide whether to itemize deductions.
You should itemize if your deductions are more than:

- $3,400 and you are Married, filing a joint return, or a Qualifying widow(er) with a dependent child.
- $1,700 and you are Married and filing a separate return.
- $2,300 and you are either Single or a Head of household.

Itemized Deductions. Examples are:

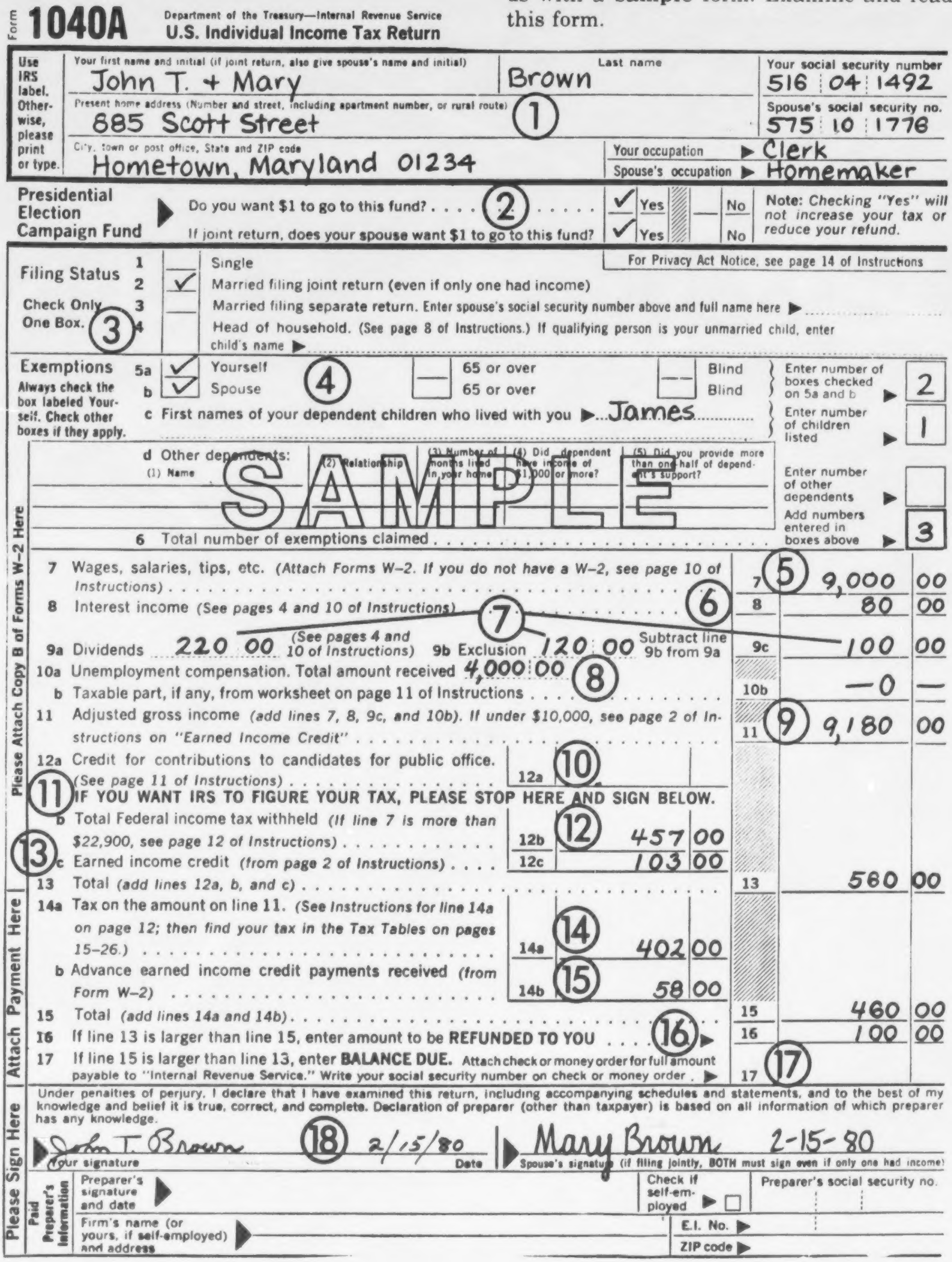
- Payments for medical insurance and medical and dental care which are more

than 3% of your adjusted gross income.
- Interest on loans and mortgages.
- Local, State, and real estate taxes.
- Gifts to churches, charities, Cancer Society, Red Cross, United Way, and similar organizations.
- Union dues, safety helmets, tools professional journals, or other materials used in your job.
- Net personal casualty or theft loss which is more than $100.

$
-420
$
x30
9
-90+18
x 45-
-20
$

77

HOW TO FILL OUT FORM 1040A. The Internal Revenue Service (IRS) has provided us with a **sample** form. Examine and read this form.



Form **1040A** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial) John T. + Mary	Last name Brown	Your social security number 516 04 1492
	Present home address (Number and street, including apartment number, or rural route) 885 Scott Street ①		Spouse's social security no. 575 10 1776
	City, town or post office, State and ZIP code Hometown, Maryland 01234	Your occupation ▶ Clerk Spouse's occupation ▶ Homemaker	

Presidential Election Campaign Fund ▶ Do you want $1 to go to this fund? . . . . ② . . . . . ✓ Yes — No
If joint return, does your spouse want $1 to go to this fund? ✓ Yes No
Note: Checking "Yes" will not increase your tax or reduce your refund.

For Privacy Act Notice, see page 14 of Instructions

Filing Status Check Only One Box. ③
1 ☐ Single
2 ☑ Married filing joint return (even if only one had income)
3 ☐ Married filing separate return. Enter spouse's social security number above and full name here ▶ ....
4 ☐ Head of household. (See page 8 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶ ....

Exemptions Always check the box labeled Yourself. Check other boxes if they apply. ④
5a ☑ Yourself ☐ 65 or over ☐ Blind
b ☑ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 5a and b ▶ 2
c First names of your dependent children who lived with you ▶ James
Enter number of children listed ▶ 1

d Other dependents:

(1) Name	(2) Relationship	(3) Number of months lived in your home	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

SAMPLE

Enter number of other dependents ▶ ☐
6 Total number of exemptions claimed . . . . Add numbers entered in boxes above ▶ 3

Please Attach Copy B of Forms W-2 Here

7	Wages, salaries, tips, etc. *(Attach Forms W-2. If you do not have a W-2, see page 10 of Instructions)*		7 ⑤	9,000	00
8	Interest income *(See pages 4 and 10 of Instructions)* . . . . . . ⑥		8	80	00
9a	Dividends 220 00 *(See pages 4 and 10 of Instructions)* ⑦ 9b Exclusion 120 00 Subtract line 9b from 9a		9c	100	00
10a	Unemployment compensation. Total amount received 4,000 00 ⑧				
b	Taxable part, if any, from worksheet on page 11 of Instructions		10b	—0	—
11	Adjusted gross income *(add lines 7, 8, 9c, and 10b). If under $10,000, see page 2 of Instructions on "Earned Income Credit"*		11 ⑨	9,180	00
12a	Credit for contributions to candidates for public office. *(See page 11 of Instructions)*	12a ⑩			
⑪	**IF YOU WANT IRS TO FIGURE YOUR TAX, PLEASE STOP HERE AND SIGN BELOW.**				
b	Total Federal income tax withheld *(If line 7 is more than $22,900, see page 12 of Instructions)*	12b ⑫ 457 00			
⑬ c	Earned income credit *(from page 2 of Instructions)*	12c 103 00			
13	Total *(add lines 12a, b, and c)*		13	560	00
14a	Tax on the amount on line 11. *(See Instructions for line 14a on page 12; then find your tax in the Tax Tables on pages 15–26.)*	14a ⑭ 402 00			
b	Advance earned income credit payments received *(from Form W–2)*	14b ⑮ 58 00			
15	Total *(add lines 14a and 14b)*		15	460	00
16	If line 13 is larger than line 15, enter amount to be **REFUNDED TO YOU** . . . ⑯ ▶		16	100	00
17	If line 15 is larger than line 13, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order . ▶		17 ⑰		

Attach Payment Here

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ John T. Brown ⑱ 2/15/80
Your signature Date

▶ Mary Brown 2-15-80
Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information
Preparer's signature and date ▶
Check if self-employed ▶ ☐
Preparer's social security no.
Firm's name (or yours, if self-employed) and address ▶
E.I. No. ▶
ZIP code ▶

KEEPING RECORDS. Keep records of income and credits that appear on your tax returns. You should keep the records for at least 3 years. You should also keep copies of your filed tax returns. There are some records that you should keep longer than 3 years. For example, property records should be kept as long as they are needed to figure the basis of the original or replacement property. For more information on recordkeeping, you should order Publication 552, Recordkeeping Requirements and a List of Tax Publications.

THE PRIVACY ACT. The Privacy Act says that each Federal Agency that asks for information must tell you:

1. Its legal right to ask for the information.
2. What major purposes the agency has in asking and how it will be used.
3. What could happen if the agency does not receive the information.

The law covers the following for the Internal Revenue Service:

- Tax returns and any papers filed with them.
- Any questions we need to ask you so we can-
  Complete, correct, or process your return.
  Figure your tax.
  Collect tax, interest, or penalties.

The Internal Revenue Service can give the information to the Department of Justice. They may give the information to other Federal Agencies. They may give it to the States, the District of Columbia. They may give the information to the U.S. Commonwealths or possessions to carry out their tax laws. Your information can also be given to foreign governments because of tax treaties.

The only notice required to be given you is in the booklet published by the IRS telling you how to fill out your taxes. However, other notices will be given if there is a need to examine your return or collect any tax, interest, or penalties. So it is clear that the Privacy Act has some very limited benefits for the U.S. citizen. It is the reason that many people have become alarmed over the "invasion of privacy" that is becoming very frequent. Does the whole world really have a right to know about our federal income tax returns?

ACTIVITY 3

Look for the income tax form in your Student Response Booklet. Study the example in the packet. Use it as a guide to fill in the form. You are the taxpayer. So use your own figures if you choose. If not, make up the information needed to complete the form. Remember the 18 steps. Let's review.

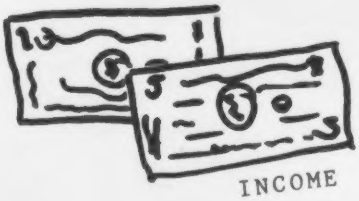
1. Name, Address, and Social Security Number
2. Presidential Election Campaign Fund
3. Filing Status - fill in boxes 1-4
4. Exemptions - Fill in Lines 5a - 6; then 5b-5d
5. Wages, Salaries, Tips, etc. - Line 7
6. Interest Income - Line 8
7. Dividends - Line 9
8. Unemployment Compensation - Lines 10a and 10b
9. Line 11 - Adjusted Gross Income
10. Credit for Contributions to Candidates

for Public Office (This is on Line 12a)

11. IRS will Figure your tax and your Earned Income Credit if you qualify
12. Total Federal Income Tax Withheld - Line 12b
13. Earned Income Credit - Line 12c
14. Income Tax - Line 14a
15. Advanced Earned Income Credit Payments - Line 14b
16. Your Refund - Line 16
17. Balance Due IRS - Line 17
18. Completing Your Return - Sign and Date Your Return

ACTIVITY 4

Fill out the Earned Income Activity form in your Student Response Booklet. Review your packet if you need help with this activity.



ACTIVITY 5

In your Student Response Booklet list the following:

1. How long should you keep your records for tax purposes?
2. How long should you keep property records?
3. If you need more information on record keeping, list the number of the publication you can request.

ACTIVITY 6

The Privacy Act says that each Federal Agency must tell you three things. List these three items in your Student Response Booklet.

1.
2.
3.

ACTIVITY 7

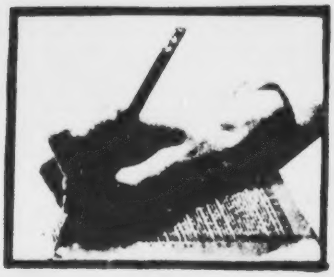
Order two forms from this list. Write the names of the publications in your Student Response Booklet.

Circle Desired Forms and Publications for 1979 (5)

1040	Individual Income Tax Return	Schedule G (1040)	Income Averaging
1040 Instructions	For Form 1040 and Schedules	Schedules R&RP (1040)	Credit for the Elderly
1040A	Individual Income Tax Return	Schedule SE (1040)	Computation of Social Security Self-Employment Tax
1040A Instructions	For Form 1040A	Schedule TC (1040)	Tax Computation Schedule
Schedules A&B (1040)	Itemized Deductions AND Dividend and Interest Income	5695	Energy Credits
Schedule C (1040)	Profit or (Loss) From Business or Profession (Sole Proprietorship)	1040–ES	Declaration of Estimated Tax for Individuals (1980)
Schedule D (1040)	Capital Gains and Losses	Pub. 17	Your Federal Income Tax
Schedule E (1040)	Supplemental Income Schedule	Pub. 501	Exemptions
Schedule F (1040)	Farm Income and Expenses	Pub. 553	Highlights of 1979 Tax Changes

Send your order to the "Forms Distribution Center" for your State. If there is more than one Center for your State, send the order to the Center nearest you.

Illinois
P.O. Box 24711, Kansas City, MO 64131
Indiana
P.O. Box 636, Florence, KY 41042
Iowa
P.O. Box 24711, Kansas City, MO 64131
Kansas
P.O. Box 2924, Austin, TX 78769



Do not use the envelope in your Income Tax package because this envelope may be used only for filing your Income Tax return.

HOW TO USE THE TOLL-FREE NUMBER. "TOLL-FREE" is a telephone call for which you pay only local charges with no long-distance charge. You must use a local city number only if it is not a long-distance number/call for you. Otherwise, use the general toll-free number given. For example, if you live in Shelbyville, call the "Elsewhere in Indiana" number to avoid a long distance charge. If you called Indianapolis, you would be charged. When you call and ask for answers to your questions, remember you are still responsible for the accuracy of your tax return.

To make sure correct answers are given, a second IRS employee sometimes listens in on telephone calls. No record is kept of the taxpayer's name, address or phone number.

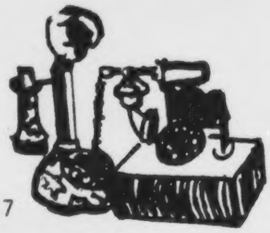
ACTIVITY 8

Read this list of the names of the cities and their numbers.

1. Choose the city in your area.
2. Write the name of the city in your Student Response Booklet.
3. Write the phone number of the IRS office nearest you.
4. Write the number of the "Elsewhere in Indiana."

5. Write the number of the "Elsewhere in the U.S."

Evansville, 424-6481
Fort Wayne, 426-8300
Gary, 938-0560
Hammond, 938-0560
Indianapolis, 269-5477
South Bend, 232-3981
Elsewhere in Indiana, 1-800-382-2600
Elsewhere in U.S. 1-800-428 4732



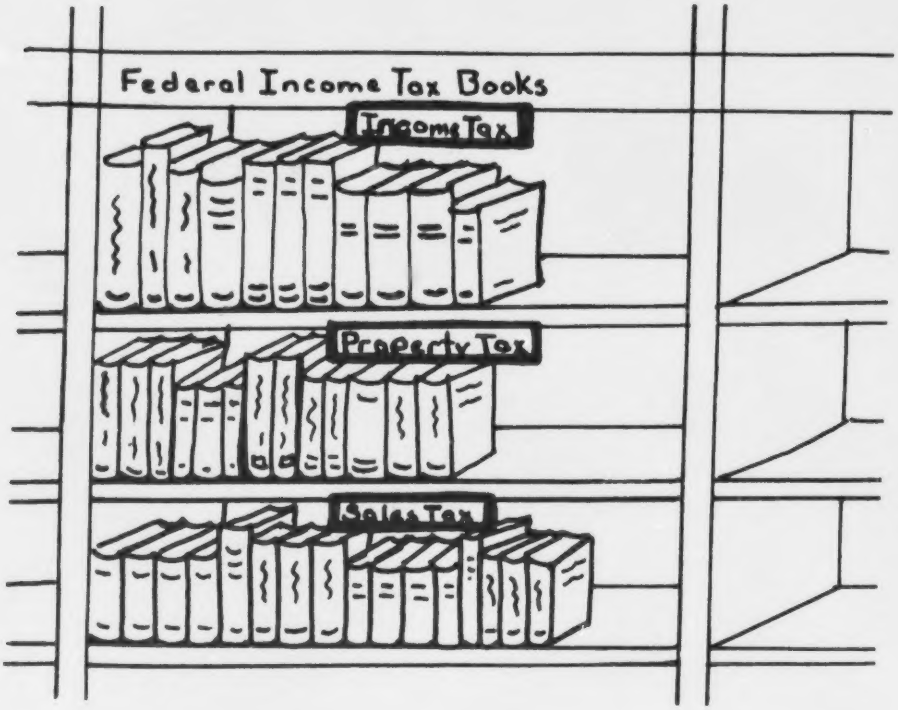
ACTIVITY 9

Write a letter to the IRS. Ask them about information concerning the Earned Income Credit. When you receive a letter from the IRS, show this to your teacher. Use your own paper, or the paper provided in the Student Response Booklet.

Internal Revenue Service
Room 5577
1111 Constitution Avenue. N.W.
Washington, DC 20224

ACTIVITY 10

The public library has many resource books containing tax information. Go to the library. Select three books that relate to or pertain to Federal Income Tax. List the names of the books and their authors in the Student Response Booklet. If you need help with this activity, ask your teacher to let you work in CR-5, the packet on LIBRARY.



STUDENT RESPONSE BOOKLET
CE- 3 - Part 2
SALES AND INCOME TAX - Part

NAME ____

DATE ______________________

ACTIVITY 1

Write a short answer to each question.

1. ______________________________

2. ______________________________

3. ______________________________

4. ______________________________

5. ______________________________

ACTIVITY 2

1. ______________________________

2. ______________________________

3. ______________________________

4. ______________________________

5. ______________________________

6. ______________________________

7. ______________________________

8. ______________________________

9. ______________________________

10. ______________________________

ACTIVITY 3

Fill out the Income Tax Form. Follow the Income Tax Example in your packet. You are the taxpayer. Choose your own filing status and salary. Follow the steps that apply to you.

① Name, Address, and Social Security Number

② Presidential Election Campaign Fund

Form **1040A** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
	Present home address (Number and street, including apartment number, or rural route)		Spouse's social security no.
	City, town or post office, State and ZIP code	Your occupation ▶ Spouse's occupation ▶	

Presidential Election Campaign Fund ▶	Do you want $1 to go to this fund?	☐ Yes	☐ No	**Note:** *Checking "Yes" will not increase your tax or reduce your refund.*
	If joint return, does your spouse want $1 to go to this fund?	☐ Yes	☐ No	

③ Boxes 1 through 4
Filing Status

Were You Single or Married?

For Privacy Act Notice, see page 14 of Instructions

Filing Status	1	☐	Single
	2	☐	Married filing joint return (even if only one had income)
Check Only One Box.	3	☐	Married filing separate return. Enter spouse's social security number above and full name here ▶ ....
	4	☐	Head of household. (See page 8 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶ ....

④ Lines 5a through 6
Exemptions

Line 5a Boxes
For Yourself

Line 5b Boxes
For Your Spouse

Lines 5c and 5d Boxes
Children and Other Dependents

Exemptions	5a	☐ Yourself	☐ 65 or over	☐ Blind			Enter number of boxes checked on 5a and b ▶	☐
Always check the box labeled Yourself. Check other boxes if they apply.	b	☐ Spouse	☐ 65 or over	☐ Blind				
	c	First names of your dependent children who lived with you ▶........................					Enter number of children listed ▶	☐
	d	Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home.	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?	Enter number of other dependents ▶	☐
	6	Total number of exemptions claimed					Add numbers entered in boxes above ▶	☐

⑤ Line 7
Wages, Salaries, Tips, etc.

7 Wages, salaries, tips, etc. *(Attach Forms W-2. If you do not have a W-2, see page 10 of Instructions)* 7

⑥ Line 8
Interest Income

⑦ Line 9
Dividends

⑧ Lines 10a and 10b
Unemployment Compensation

8 Interest income *(See pages 4 and 10 of Instructions)* 8

9a Dividends .... *(See pages 4 and 10 of Instructions)* 9b Exclusion .... Subtract line 9b from 9a 9c

10a Unemployment compensation. Total amount received ....

b Taxable part, if any, from worksheet on page 11 of Instructions 10b

⑨ Line 11
Adjusted Gross Income

11 Adjusted gross income *(add lines 7, 8, 9c, and 10b). If under $10,000, see page 2 of Instructions on "Earned Income Credit"* 11

⑩ Line 12a
Credit for Contributions to Candidates for Public Office

⑪ IRS Will Figure Your Tax and Your Earned Income Credit if You Qualify

12a Credit for contributions to candidates for public office. *(See page 11 of Instructions)* 12a

IF YOU WANT IRS TO FIGURE YOUR TAX, PLEASE STOP HERE AND SIGN BELOW.

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature and date ▶

Check if self-employed ▶ ☐

Preparer's social security no.

Firm's name (or yours, if self-employed) and address ▶

E.I. No. ▶

ZIP code ▶

☆ U.S. GOVERNMENT PRINTING OFFICE: 1979-283-318 E.I. 43-0787287

Form **1040A** (1979)

If you do not want IRS to figure your tax, complete the rest of your return as follows:

⑫ Line 12b
Total Federal Income Tax Withheld (Including Excess FICA and RRTA Tax)

⑬ Line 12c
Earned Income Credit

⑭ Line 14a
Income Tax

To find your tax, use the appropriate Tax Table.
If you checked Form 1040A:

Filing Status Box 1, use Tax Table A (Single) on pages 15–16.

Filing Status Box 2, use Tax Table B (Married Filing Joint Return) on pages 17–21.

Filing Status Box 3, use Tax Table C (Married Filing Separate Return) on pages 22–23.

Filing Status Box 4, use Tax Table D (Head of Household) on pages 24–26.

⑮ Line 14b
Advance Earned Income Credit Payments

Enter the total of the Advance Earned Income Credit Payments as shown on your W–2 form(s).

⑯ Line 16
Your Refund

If line 13 is larger than line 15

Subtract line 15 from line 13 and show the difference on line 16. This is the amount that will be refunded to you.

⑰ Line 17
Balance Due IRS

If line 15 is larger than line 13

Subtract line 13 from line 15 and show the difference on line 17. This is the balance you still owe. If line 17 is less than $1, you do not have to pay.

Married Filing Joint Return (Filing Status Box 2)

(For married persons filing joint returns with income of $40,000 or less on Form 1040A, line 11, who claim 9 or fewer exemptions)

If Form 1040A, line 11, is—		And the total number of exemptions claimed on line 6 is—							
		2	3	4	5	6	7	8	9
Over	But not over	Your tax is—							
8,200	8,250	410	256	116	0	0	0	0	0
8,250	8,300	418	263	123	0	0	0	0	0
8,300	8,350	426	270	130	0	0	0	0	0
8,350	8,400	434	277	137	0	0	0	0	0
8,400	8,450	442	284	144	4	0	0	0	0
8,450	8,500	450	291	151	11	0	0	0	0
8,500	8,550	458	298	158	18	0	0	0	0
8,550	8,600	466	306	165	25	0	0	0	0
8,600	8,650	474	314	172	32	0	0	0	0
8,650	8,700	482	322	179	39	0	0	0	0
8,700	8,750	490	330	186	46	0	0	0	0
8,750	8,800	498	338	193	53	0	0	0	0
8,800	8,850	506	346	200	60	0	0	0	0
8,850	8,900	514	354	207	67	0	0	0	0
8,900	8,950	522	362	214	74	0	0	0	0
8,950	9,000	530	370	221	81	0	0	0	0
9,000	9,050	538	378	228	88	0	0	0	0
9,050	9,100	546	386	235	95	0	0	0	0
9,100	9,150	554	394	242	102	0	0	0	0
9,150	9,200	562	402	249	109	0	0	0	0
9,200	9,250	570	410	256	116	0	0	0	0
9,250	9,300	578	418	263	123	0	0	0	0
9,300	9,350	586	426	270	130	0	0	0	0
9,350	9,400	594	434	277	137	0	0	0	0

Attach Payment Here

b Total Federal income tax withheld *(If line 7 is more than $22,900, see page 12 of Instructions)* **12b**

c Earned income credit *(from page 2 of Instructions)* **12c**

13 Total *(add lines 12a, b, and c)* **13**

14a Tax on the amount on line 11. *(See Instructions for line 14a on page 12; then find your tax in the Tax Tables on pages 15–26.)* **14a**

b Advance earned income credit payments received *(from Form W–2)* **14b**

15 Total *(add lines 14a and 14b)* **15**

16 If line 13 is larger than line 15, enter amount to be **REFUNDED TO YOU** . . . . ▶ **16**

17 If line 15 is larger than line 13, enter **BALANCE DUE.** Attach check or money order for full amount payable to "Internal Revenue Service." Write your social security number on check or money order . ▶ **17**

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Your signature Date

▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)

Paid Preparer's Information

Preparer's signature and date ▶

Check if self-employed ▶ ☐

Preparer's social security no.

Firm's name (or yours, if self-employed) and address ▶

E.I. No. ▶

ZIP code ▶

U.S. GOVERNMENT PRINTING OFFICE: 1979-283-318 E.I. 43-0787287

Form **1040A** (1979)

⑱ Completing Your Return

Sign and Date Your Return

Form 1040A is not considered a return unless you sign it. Your spouse must also sign if it is a joint return.

ACTIVITY 4

To see if you can take the Earned Income Credit, complete Form 1040A through lines 11.

Form **1040A** Department of the Treasury—Internal Revenue Service
U.S. Individual Income Tax Return

Use IRS label. Otherwise, please print or type.	Your first name and initial (if joint return, also give spouse's name and initial)	Last name	Your social security number
	Present home address (Number and street, including apartment number, or rural route)		Spouse's social security no.
	City, town or post office, State and ZIP code	Your occupation ▶ Spouse's occupation ▶	

Presidential Election Campaign Fund ▶
Do you want $1 to go to this fund? . . . . ☐ Yes ☐ No
If joint return, does your spouse want $1 to go to this fund? ☐ Yes ☐ No

Note: *Checking "Yes" will not increase your tax or reduce your refund.*

For Privacy Act Notice, see page 14 of Instructions

Filing Status
Check Only One Box.
1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☐ Married filing separate return. Enter spouse's social security number above and full name here ▶ ....
4 ☐ Head of household. (See page 8 of Instructions.) If qualifying person is your unmarried child, enter child's name ▶ ....

Exemptions
Always check the box labeled Yourself. Check other boxes if they apply.
5a ☐ Yourself ☐ 65 or over ☐ Blind
b ☐ Spouse ☐ 65 or over ☐ Blind
Enter number of boxes checked on 5a and b ▶ ☐
c First names of your dependent children who lived with you ▶ ....
Enter number of children listed ▶ ☐

d Other dependents: (1) Name	(2) Relationship	(3) Number of months lived in your home.	(4) Did dependent have income of $1,000 or more?	(5) Did you provide more than one-half of dependent's support?

Enter number of other dependents ▶ ☐
Add numbers entered in boxes above ▶ ☐

6 Total number of exemptions claimed . . . .

7 Wages, salaries, tips, etc. *(Attach Forms W–2. If you do not have a W–2, see page 10 of Instructions)* . . . . 7 ______

8 Interest income *(See pages 4 and 10 of Instructions)* . . . . 8 ______

9a Dividends .... *(See pages 4 and 10 of Instructions)* 9b Exclusion .... Subtract line 9b from 9a 9c ______

10a Unemployment compensation. Total amount received ....

b Taxable part, if any, from worksheet on page 11 of Instructions . . . . . . 10b ______

11 Adjusted gross income *(add lines 7, 8, 9c, and 10b). If under $10,000, see page 2 of Instructions on "Earned Income Credit"* . . . . 11 ______

ANSWER THESE QUESTIONS.

	Yes	No
1. Is the amount you listed on Form 1040A, line 11, less than $10,000?	☐	☐
2. Does the amount on line 11 include any wages, salaries, or other earned income?	☐	☐
3. Did you have a child who lived with you in the same principal residence in the United States during 1979?	☐	☐
4. If you checked Filing Status **Box 2** on Form 1040A, did you claim your child as a dependent on Form 1040A, line 5c? . . . . OR If you checked Filing Status **Box 4** on Form 1040A, and your **child was married for 1979,** did you claim that child as a dependent on Form 1040A, line 5c? . . . . OR If you checked Filing Status **Box 4** on Form 1040A, and your **child was unmarried for 1979,** did you enter that child's name on Form 1040A, line 4 (or 5c if you claimed that child as a dependent)?	☐	☐

If you answered NO to any questions, you can't take the Earned Income Credit.

If you answered YES to all questions, you may be able to take the credit.

Ask your teacher for more information.

ACTIVITY 5

1. You should keep records for tax purposes for ____________________.
2. You should keep property records for ____________________.
3. List the number of the publication on record keeping ____________________.

ACTIVITY 6.

List the three items that the Federal Agency must tell you.

1. ____________________.
2. ____________________.
3. ____________________.

ACTIVITY 7

Write the names of the publications:

1. ____________________
2. ____________________

ACTIVITY 8

1. ____________________.
2. ____________________.
3. ____________________.
4. ____________________.
5. ____________________.

ACTIVITY 9

Use this paper, or ask the teacher for another to write your letter.

ACTIVITY 10

List the names of the books and their authors.

1. ____
2. ____
3. ____

CE-4: MONEY MANAGEMENT
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this SAT Packet, the adult learner will become aware of proper money management principles and make wise consumer decisions.

INTRODUCTION:
This SAT Packet is designed to help the student work independently. If the student experiences serious learning difficulties, he may need supplemental materials from the teacher. The packet suggests that the student ask for personal help in areas which he cannot understand.

Interaction with others is encouraged as an important method of learning, and while the student proceeds at an independent rate, he does not work in isolation.

There is an opportunity in this packet for the student to fill out a budget form. This realistic approach will add to the student's practical knowledge and experience.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system, and group work.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:
The student should have a basic knowledge of addition and subtraction. He should also be familiar with dollars and cents. The student may be referred to CE-1 if help is needed in understanding money.

PRE/POST TEST:
The pre/post test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or oral assessment. There are ten questions on the test. The student should score between 90 and 100% in order to test out of or complete this packet.

MATERIALS NEEDED TO COMPLETE THIS UNIT:
White pages of the local telephone book

ADDITIONAL MATERIALS NEEDED:
Resource person from bank or credit union will benefit the student. **Budgeting,** Follett Coping Skills Series, Follett Publishing Co. **Be Informed on Money,** Be Informed Series, New Readers Press.

Answers to the Pre/Post Test:

1. F
2. F
3. T
4. F
5. T
6. T
7. F
8. F
9. T
10. F

SKILLS OBJECTIVES:
Reading
  Develops vocabulary and spelling
  Generalizes to similar situations
  Distinguishes between fact and opinion
Writing
  Makes lists
  Makes outlines
Speaking,-Listening, Viewing
  Expresses needs
  Seeks information
  Interprets ideas
Problem Solving
  Defines the problem
  Obtains information
  Examines constraints
  Plans alternatives
  Determines plan of action
Interpersonal Relations
  Examines personal views and attitudes
  Interacts with others
Computation
  Adds decimals

PRE/POST TEST CE-4

Circle T or F for each question.

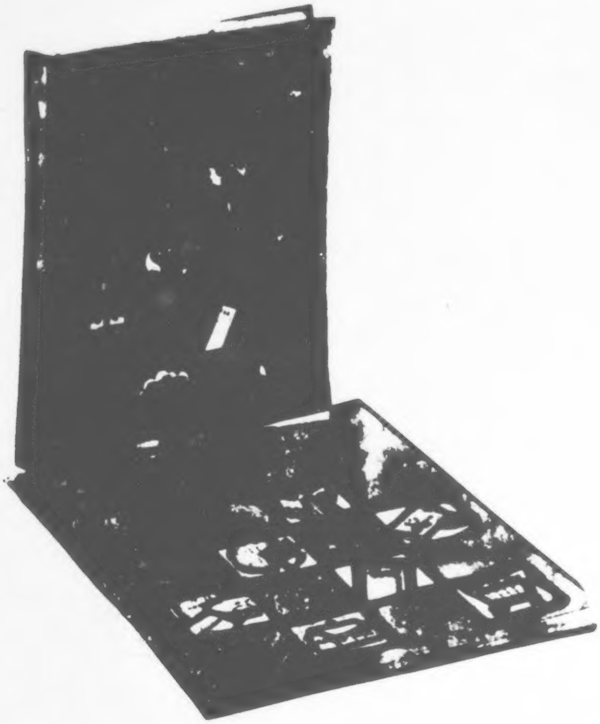
T F 1. Disposable income is what you have left after paying all your bills.
T F 2. If you are having money problems there is no one who can help you.
T F 3. Writing out your monthly income and expenses is called budgeting.
T F 4. If you are on a budget you can not spend money on anything that is fun to do.
T F 5. You may be able to learn something about money management from someone who works in a bank.
T F 6. Your fixed expenses are the same amount every month.
T F 7. It is better not to worry about once-a-year expenses until you get the bill.
T F 8. Your gross income is everything you have ever earned.
T F 9. One place to look for help with money problems is in the telephone book.
T F 10. You do not have to worry about paying your floating expenses on time.

To the student . . .

When you finish this SAT Packet, you will understand more about money management. Consumer Education helps you understand and make wise decisions in the use of limited resources. Choosing between wants and needs is important in making decisions about money. Sometimes we don't have enough money to manage, but understanding family money problems is still important.

You will need to know these vocabulary words for this packet. Your teacher will help you.

- gross income
- disposable income
- resources
- liabilities
- fixed expenses
- floating expenses
- discretionary expenses



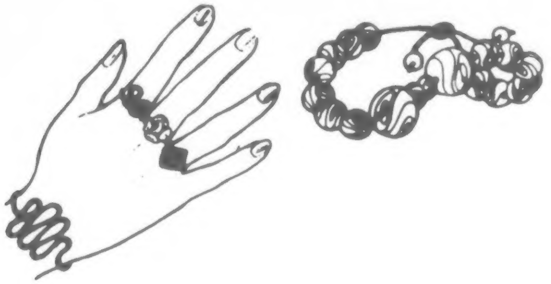
A budget is a plan for spending your money. It can help you manage your money, too. You know how much money you make . . . but, do you know where your money goes??

A budget does not keep you from spending money. It simply shows where your money is going. A budget shows the important expenses that must be paid each month. It shows how you can save money, too. A budget tells you if you should find a cheaper place to live. A budget tells if you can spend less money on food or transportation (take a bus or join a carpool). If you can spend less money, you'll be able to save for the things you **need** and the things you **want.** A budget helps you spend your money wisely.

Sometimes it is hard to decide which things we need and wich things we want. Needs are things we **must have.** They are necessary to live. Food, heat, and a place to live are needs. Things we want are what we **wish** we could have. These "wants" are not necessary to our lives. Vacations, color TV's, and new homes are examples of wants. Different people have different needs and wants.

Needs should be bought before "wants." If you have money left over after you pay for what you need, you can save for the things you want. This will help you set spending and saving goals for yourself. It will help you plan for the future.

Think about the things you need and the things you want. Be honest with yourself.



ACTIVITY 1

Open your Student Response Booklet to Activity 1. Make two lists. In the first list, write the things you **need each month.** In the second list, write the things you **want each month.**

Now you must decide how important each item is to you. Begin with the NEED list. Number each item by its importance. The most important item will be number 1. The second will be number 2.

When you have completed numbering your NEED list, look at your WANT list. Number your WANT list by importance.

Look at both lists. You may be surprised. Some items may not be as important to you as you thought.

Working out a budget is a good way to get to know yourself and your money. Some people find that they run out of money before the end of the month. There may be some things you can be more careful about at the beginning of the month. Then, money may not be as tight at the end of the month.

ACTIVITY 2

Here are the vocabulary words you need to know. List these 7 words in your Student Response Booklet.

gross income — your total income **before** taxes and deductions have been taken out. My gross income is $5,000 a year.

disposable income — (also called net income) your take home pay **after** taxes and deductions. My **disposable** or **net income** is $3,500.00.

resources — your take home pay + the money in your savings account + the value of what you own (car, furniture, etc.) + the **cash value** of your insurance. All of my resources amount to $6,500.00.

fixed expenses — expenses that stay the same each month, such as mortgage or rent payment, insurance, and loan payments. My **fixed expenses** are $200.00 each month.

floating expenses — (also called **variable expenses**) expenses that change each month, such as food, clothing, transportation, doctor bills, and utilities. My **floating** or **variable expenses** are $100.00 each month.

liabilities — your fixed and floating expenses. My **liabilities** are $300.00 each month.

discretionary expenses — expenses for vacations, entertainment, and gifts. I allow

$20.00 each month for **discretionary** expenses.

ACTIVITY 3

Use each vocabulary word in a sentence. Draw a line under the vocabulary word in each of your sentences. Write the sentences in your Student Response Booklet.

Let's take a look at how budgeting works. Remember the first step is to figure out disposable income for one month. Begin with the gross pay. Mary Lentle makes $4.00 per hour. She multiplied $4.00 times 40 hours. Mary makes $160 each week. This is her gross income. Taxes and other deductions total $32.85 per paycheck. So, Mary's disposable income is $127.15. You could also say that her take home pay is $127.15 each week. Mary took 4 times $127.15 to find her disposable income each month. Mary's take home pay is $508.60.

Mary's pay:
$ 4.00/hr
40 hrs.
$160.00 gross income

$160.00 gross income
-32.85 taxes & deductions
$127.15 disposable income

$127.15 disposable income for a week
x 4
$508.60 disposable income for the month

The second step is to figure the total amount of fixed expenses each month. Fixed expenses include payments for mortgage or rent, insurance, and loans. Mary shares an apartment with a young woman. Mary's half of the rent is $105.00. Her car insurance is $18.50 a month. Mary took out a loan with the credit union to buy a used car. Her monthly loan payment is $95.14.

The third step is to figure the total amount of floating expenses each month. Floating expenses include paying for food, clothing, transportation, doctor bills, and utilities. Mary buys the food every other week. She spends around $60.00 each month. Her expenses for clothing change each month, but on the average Mary spends $50.00 a month. Transportation expenses include gasoline and car repairs. Mary's gas bills run around $30.00 each month. Although she has not had any car repairs yet, she will need new tires before winter. So, each month Mary puts aside $25.00 toward car maintenance and repairs. Mary adds together $30 for gasoline and $25 for repairs. Her monthly expenses for transportation are $55.00. Mary has three medical check-ups each year. One is a physical with her family doctor. The second is an eye examination with her optometrist. The third is a dental check-up with her dentist. Mary knows that her medical bills run about $180.00 per year. She divided this amount by 12 to find her monthly bills. $180.00 divided by 12 = $15.00. Mary puts aside $15.00 each month for her doctor bills. Mary pays half of the utility bills for the apartment. These bills include the telephone, gas, water, and electricity. Mary pays about $23.50 each month for utilities.

The fourth step is to figure the discretionary expenses each month. Discretionary expenses include deposits into savings accounts and payment for vacations, entertainment, and gifts. Mary has a savings account. Ever since she got her new job, she has deposited $30.00 each month into her account. She doesn't know yet how she will use the money. However, she knows it is a good idea to have a "cushion" against illness, unemployment, or unexpected expenses. Mary enjoys giving gifts. Mary saves $20.00 each month to buy gifts. She also puts away $15.00 each month toward her vacation. Mary usually has a few dollars left over at the end of the month. She makes careful decisions about how to spend this money. Sometimes she buys a record. Other times, she goes to a concert or a movie. Mary is careful not to spend this money until she knows her fixed and floating expenses have been paid.

The easiest way for Mary to look at her budget is to fill in a chart. She needs to see the numbers all in one place. Let's review the steps. Then look at Mary's monthly budget.

For each month figure the following:

1. The total amount of Disposable Monthly Income
2. The total amount of Fixed Expenses
3. The total amount of Floating Expenses
4. The total amount of Discretionary Expenses

Mary's Monthly Budget

DISPOSABLE MONTHLY INCOME			$508.60
MONTHLY EXPENSES			
Fixed Expenses			
Rent or Mortgage Payment	$105.00		
Insurance Payment	18.50		
Loan Payment	95.14		
TOTAL FIXED EXPENSES:		$218.64	
Floating Expenses			
Food	$60.00		
Clothing	50.00		
Transportation	55.00		
Medical & Dental Bills	15.00		
Utilities	23.50		
TOTAL FLOATING EXPENSES:		$203.50	
Discretionary Expenses			
Deposit to Savings Account	$30.00		
Vacations	15.00		
Entertainment	20.00		
Gifts	20.00		
TOTAL DISCRETIONARY EXPENSES:		$85.00	
TOTAL MONTHLY EXPENSES:			$507.14

Mary's total monthly expenses are a little less than her monthly take-home pay. Therefore, Mary is living within her budget. If she over spends in one area, she will have to cut back in another area.

ACTIVITY 4

Now you are ready to make a budget for Bill and Mary Jones. Use the chart in your Student Response Booklet. Put the information in the correct space. You will have to do some addition, subtraction, and multiplication.

Bill is an auto mechanic. He earns $5.00/hr. He works 40 hours a week. His deductions from his paycheck are $48.27/week. Figure his monthly take-home pay. Mary works part-time as a store clerk. She works 20 hours a week and earns $3.00/hr. Her deductions are $12.00/week. Figure her monthly take-home pay.

Bill and Mary pay $185.00/month for their apartment. They have a furniture payment of $50/month. They put $70.00 in their savings account each month. Their insurance is $25.00/month. They spend $110.00/month on food. They pay $51.00/month for telephone, gas, and electricity. They allow $30.00 a month for medical and dental payments. They allow $70.00/month for clothing and $30.00/month for entertainment. Their car is paid for and they allow $60.00/month for gas and maintenance. They have a vacation fund in which they put $25.00/month. They allow $25.00 for gifts and $50.00/month for miscellaneous expenses.

Do Mary and Bill Jones live within their budget?

When you plan a budget, you need to know how much **disposable income** or **take-home pay** you have each pay day. Remember, **disposable income** is what you have

after taxes and deductions have been taken out.

Next, you need to know the total amount of all your **fixed, floating,** and **discretionary expenses** for each month. If your expenses or **liabilities** are more than your disposable income, you have a problem. A budget will help you.

ACTIVITY 5

You are ready to make **your own** budget. Follow the same steps that you did for Bill and Mary Jones. On a separate sheet of paper, copy the budget form, then fill it in based on your own income and expenses. When you are finished, you may want the teacher to take a look at your budget. However, this information is personal. Do not feel that you must show your budget to anyone. You may want to take your budget home to your family.

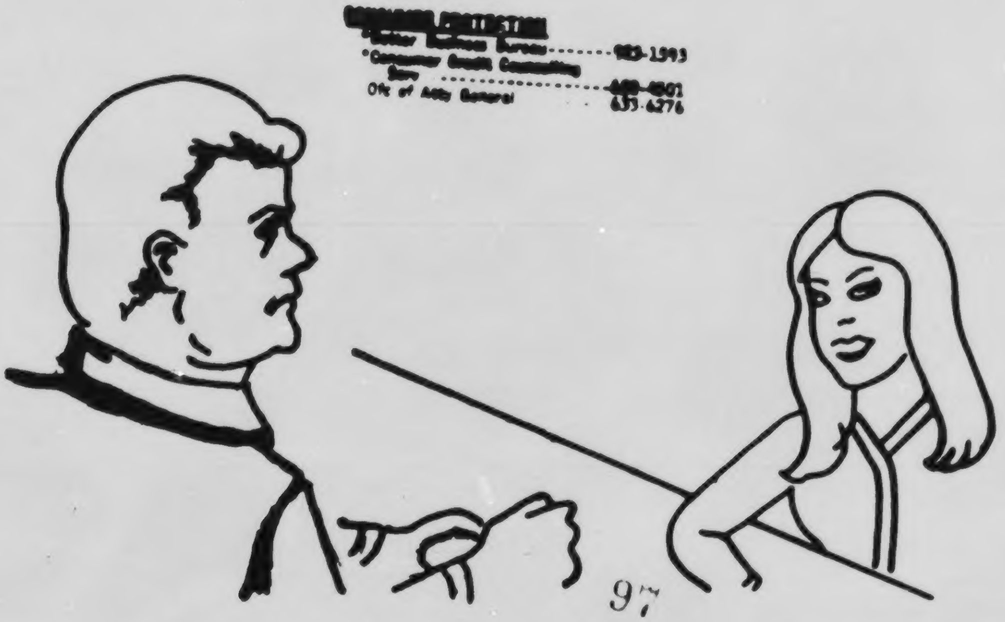
You can learn a great deal about money management from other people. Everyone manages his/her money. Some people just do a better job. Everyone has money problems now and then. You may be able to solve some of your money problems by talking with friends or others at work or at school.

Some money problems are difficult to solve. You may need special help with these problems or questions. There are special services for these kinds of money problems.

ACTIVITY 6

Ask your teacher for the phone book. Find the page that tells about government services. Locate the heading CONSUMER PROTECTION. Write this number in your Student Response Booklet. Then you will know where to call when you have money management problems. This is the number in the Indianapolis phone book. Is the number the same in your area?

Quick Reference Services Listing
Government & Other Public Services


CONSUMER PROTECTION
*Better Business Bureau .... [illegible]-1393
*Consumer Credit Counseling
Serv .... [illegible]
Ofc of Atty General 633-6276

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS 4
MANAGING YOUR MONEY

NAME ____

DATE ______________________

ACTIVITY 1

List the things you **need** each month. List the things you **want** each month.

NEEDS	WANTS

ACTIVITY 2

Write the 7 vocabulary words.

ACTIVITY 3

Use each vocabulary word in a sentence.

gross income —

disposable income —

resources —

fixed expenses —

floating expenses —

liabilities —

discretionary expenses —

ACTIVITY 4

Bill and Mary Jones Budget

Disposable Monthly Income
Bill's ________
Mary's ________
Total ________

Monthly Expenses
Fixed expenses
Rent ________
Insurance payment ________
Loan payment ________
Total fixed expenses ________

Floating expenses
Food ________
Clothing ________
Transportation ________
Medical & Dental ________
Utilities ________
Miscellaneous ________
Total floating expenses ________

Discretionary expenses
Savings account ________
Vacations ________
Entertainment ________
Gifts ________
Total discretionary expenses ________

Total Monthly expenses ________
Difference between income & expenses ________

Are Bill and Mary living within their budget? ________

ACTIVITY 5

Use this page to make your budget.

CE-5: CATALOGS

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will be able to use catalogs in selecting goods and services.

INTRODUCTION:

This packet will acquaint the student with generalizations and concepts based on the use of catalogs. The adult student will learn to use the catalog for comparison shopping and for planning expenses. This will provide the student with a broad base of knowledge which can then be applied to new life situations.

No Answer Key will be provided for the general activities since many of the responses will not lend themselves to definite and specific answers or solutions in order to be considered correct.

It is recommended that resource persons from some of the catalog companies mentioned in the packet be invited to a class session.

ADAPTABILITY:

This packet is adaptable for use with individualized instruction, and group work.

READING LEVEL:

The student who reads at Level I, Phase II should experience success with the material in this packet. The Level I, Phase I reader should also experience success when the packet is used with group work or individual teacher assistance.

MATHEMATICAL SKILLS:

The adult student should have a basic knowledge of decimals, percents, weights and the use of charts in order to work in this packet. The skills can be taught as the student progresses through the materials if he/she is having difficulties in these areas.

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The student should score at least 80% correctness in order to test out of the packet. The same score should be achieved upon completion. It should be remembered that student interest will no doubt be the determinant for the completion of this subject matter.

ADDITIONAL MATERIALS NEEDED:

A variety of catalogs
Yellow/White Pages of the telephone book

SKILLS OBJECTIVES:

Reading
  Develops vocabulary and spelling
  Follows directions
  Locates information on charts and tables
  Recognizes symbols and abbreviations
  Notes details

Writing
  Fills out forms
  Writes letters

Speaking, Listening, Viewing
  Seeks information
  Presents information
  Describes personal view
  Organizes information

Interpersonal relations
  Interacts with others

Computation
  Adds & subtracts decimals
  Multiplies and divides
  Adds weights and uses charts

CE - 5

CATALOGS

PRE/POST TEST

Mark true or false for each question.

T F 1. Items always cost less in catalogs.

T F 2. All catalog companies offer refunds or exchanges.

T F 3. When you order from a catalog you can find helpful information in each listing.

T F 4. You should look for the weight of each item that you are going to order from a catalog.

T F 5. When you order draperies from a catalog, you do not need to know the exact size of your window.

T F 6. It always saves money when you buy the cheapest products.

T F 7. Always send cash when you place your order.

T F 8. The Better Business Bureau can give you information about a catalog company.

T F 9. When you fill out an order form, you don't have to add the prices. The company will do it for you.

T F 10. Catalog shopping can be an energy saver.

T F 11. High price usually means top quality in products.

T F 12. Buying on time is usually a mistake.

T F 13. Using credit is the only way people can get what they need in some cases.

CE - 5

CATALOGS

PRE/POST TEST ANSWER KEY

Mark true or false for each question.

T [✓ F] 1. Items always cost less in catalogs.
T [✓ F] 2. All catalog companies offer refunds or exchanges.
[✓ T] F 3. When you order from a catalog you can find helpful information in each listing.
[✓ T] F 4. You should look for the weight of each item that you are going to order from a catalog.
T [✓ F] 5. When you order draperies from a catalog, you do not need to know the exact size of your window.
T [✓ F] 6. It always saves money when you buy the cheapest products.
T [✓ F] 7. Always send cash when you place your order.
[✓ T] F 8. The Better Business Bureau can give you information about a catalog company.
T [✓ F] 9. When you fill out an order form, you don't have to add the prices. The company will do it for you.
[✓ T] F 10. Catalog shopping can be an energy saver.
T [✓ F] 11. High price usually means top quality in products.
T [✓ F] 12. Buying on time is usually a mistake.
[✓ T] F 13. Using credit is the only way people can get what they need in some cases.

To the student. . . .

In this SAT Packet you will learn some useful information about ordering goods from catalogs. You will read about:

- Ordering goods from catalogs
- How to order from catalogs
- What companies are reliable
- Advantages and disadvantages of catalog ordering
- How to register complaints about ordered items
- Comparison shopping and planning expenses

discover Spiegel:
there's no place
like home to shop!

HOW TO OBTAIN A CATALOG. There are many mail-order houses in the U.S. In order to obtain a variety of catalogs, you can have your name placed on a mail-order list. But if you are select in the catalogs you want to receive it is best to request certain ones. Here is a list of some of the larger and more reliable companies.

Ambassador
711 West Broadway
Tempe, Arizona 85282

Sears, Roebuck & Co.
303 E. Ohio Street
Chicago, IL 60611

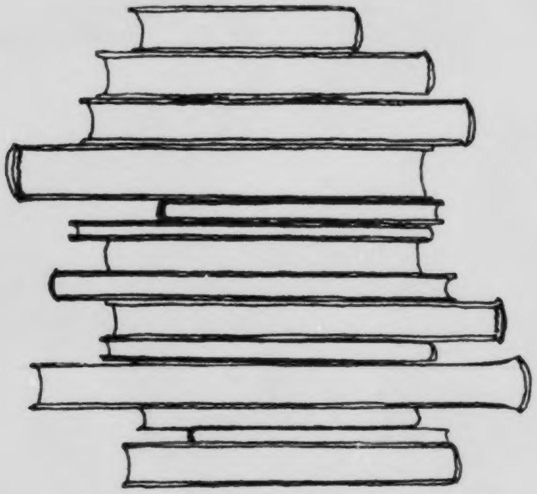
J. C. Penney Co., Inc.
Catalog Division
Box 1270
Milwaukee, Wisc. 53201

Montgomery Ward
393 7th Avenue
New York, N. Y. 10001

Spiegel, Inc.
1061 W. 35th Street
Chicago, IL 60609

Service Merchandise
P. O. Box 40818
Nashville, TN 37204

There are other ways to get a catalog. Check your phone book to see if a catalog store has a retail store near you. For example, J.C. Penney Company has many retail stores. You can go there and inquire about a catalog. You can also use a friend's catalog if you don't want to write or ask for one of your own.

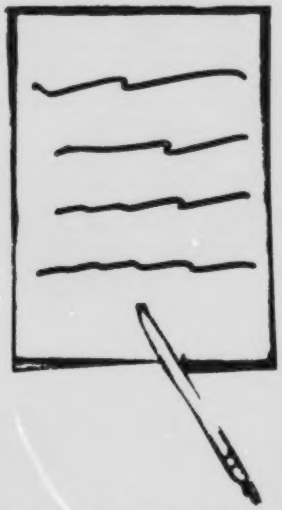


ACTIVITY 1

Do you have any catalogs at home? Are there some that we have not mentioned?

1. Make a list of all of the different catalogs you have at home. How did you obtain them?
2. What item/items have you ordered recently from a mail-order catalog company?

Write your answers in the Student Response Booklet.



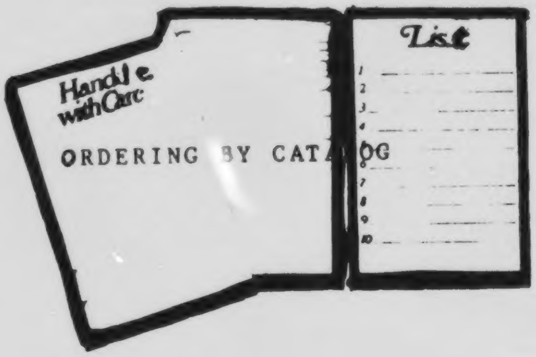
ORDERING GOODS FROM CATALOGS. Pam picked up the phone and called a number. Someone on the other end of the line took her order. What was Pam doing? She was ordering goods from a catalog just like countless numbers of people do.

Talking to your friends is a quick way to learn something about catalogs and catalog ordering. Most people have ordered merchandise from a catalog. Some of your friends may be quite pleased with their purchases. Others may have had unpleasant experiences. Ask your friends in class if they would like to share their experiences with you. Here are some good discussion questions.

- What are some of the reasons that you like to order by catalog?
- From what catalogs have you ordered?

- What kinds of problems have you had?
- What companies do you recommend as reliable?
- How convenient is it to return or exchange merchandise?

Since ordering from catalogs is helpful and essential for many people, we will look at the advantages and disadvantages of using the multi-million dollar mail order business.



ADVANTAGES. Ordering from the catalog can be convienent. It can also make good sense because it is a fast way to shop. You can make your selections and order any day of the week. Your orders can be sent to you by mail, by truck, or to a nearby retail store that represents the mail-order company to which you sent your order. Catalog items can be sent to all of the states including Alaska and Hawaii. You can even ask to have the order sent to someone in another part of the world. There are many ways to finance your purchases. The important thing to remember is not to send cash. But you can pay by money order, check, or credit card. Ordering by catalog is like having a "whole department store in your home."

A wide variety of items can be ordered. This is only a partial list of items or goods.

..... food
..... furniture
..... tools
..... power equipment
..... clothing
..... shoes
..... cosmetics
..... jewelry
..... cameras
..... small appliances (toasters)
..... major appliances (refrigerators, stoves)
..... televisions
..... stereo systems
..... sewing machines

The offerings range from the usual of these items to the strange. . . .like a Texas-shaped swimming pool filled with mineral water. So ordering from the catalog can be convenient and sometimes full of surprises!!

DISADVANTAGES. There are some disadvantages from ordering goods from mail-order catalogs. Mail-order supply houses usually keep their merchandise in warehouses. The catalog orders are then filled from the warehouse supply. These warehouses are located at various places around the U.S. Some companies offer two or three day services. This promise is often hard to keep. It can take as long as six weeks for the order to be filled if the item is out of stock. The requested item will then be "back-ordered." This means that the company will order the merchandise from the manufacturer.

Other problems can arise from damaged merchandise. This usually happens during shipping. The product must then be returned to the company.

It is more difficult to order clothing from a catalog. Colors may not be the same as expected. Quality of the material may not meet expectations.

Additional charges are added to the price of the merchandise. Shipping and handling charges are always necessary.

But most companies want to please the customer. They are willing to accept returned items and exchange unsatisfactory merchandise.

POINTS TO REMEMBER. When thinking about the advantages and disadvantages of ordering goods from the catalog, check to see if guarantees and warranties are provided by the company. This is the manufacturer's written promise to stand behind his merchandise. Reading and studying these will let the consumer know what to expect when adjustments need to be made. Consumers save by buying the quality best suited to the way in which an item will be used. Most products are manufactured at more than one quality level. Standards of workmanship, materials and design determine the quality of the product.

GUARANTEES
AND
WARRANTIES

THREE WAYS TO ORDER FROM A CATALOG. There are at least three ways to order goods from catalogs.

1. SHOP BY PHONE . . . With just a phone call you can make a catalog your personal shopping center. A full day's shopping takes just a few minutes! To order, just dial the shop-by-phone number listed in the catalog.
2. SHOP IN PERSON . . . Friendly sales people are usually willing to help you.
3. SHOP BY MAIL . . . You may prefer to shop at home by mail. List all the items on a handy order blank. Print your name and mailing address. Include all catalog numbers and correct information.

ACTIVITY 2

Choose the most convenient way for you to shop. Tell why? Write the answer in the Student Response Booklet.

PRICES. Prices are determined by the costs of production. Prices are determined by product testing. They are determined by shipping, selling and promotion. Prices are also determined by market competitiveness. Prices for the same item, or one similar often vary from store to store and from area to area.

Price is the one factor to be considered in any purchase. The price of products and services determines how much the consumer can buy with a specific income.

Comparing prices of identical or similar items lends to wise buying choices. Better money management is possible when prices of desired goods and services are known before making the purchases.

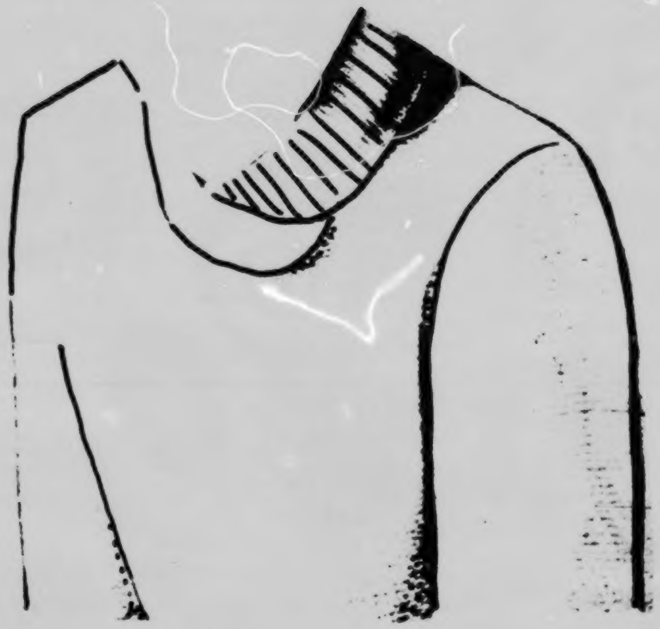
ACTIVITY 3

Consider this quotation from SEARS **Education Resources Series.** "Everything is worth what the purchaser will pay for it." Do you think this is true? Is it untrue? Do you think it depends upon the circumstances?

Write the reasons for your answer in the Student Response Booklet. Then ask your teacher or another student what they think about it.

HOW TO SELECT ITEMS FROM A CATALOG? Read the description of the catalog item. The listing gives all the needed information for ordering the item. Read the catalog description of this sweater.

1. The fabric is nubby knit of acrylic, ribbed trim.
2. It is a pullover style with rounded neckline.
3. The sweater is washable.
4. The sizes are listed.
5. The colors are stated.
6. It can be dried in a dryer.
7. The catalog number is given.
8. The shipping weight is listed.
9. The price is given.



Nubby-knit Sweater $12

FABRIC: Nubby knit of acrylic; ribbed trim.

DETAILING: Pullover style with round neckline and ribbed cross-over collar. Ribbed bottom and wrists of the long sleeves.

CARE: Machine wash, cold at delicate cycle; tumble dry, low.

SIZES. COLORS AND ORDERING INFO
Junior sizes S(5–7); M(9–11); L(13–15).
Please state correct size letter S, M or L.
19 C 6908F—Cream
19 C 6912F—Light violet
19 C 6911F—Light blue
19 C 6910F—Real red
19 C 6909F—Navy blue
Shipping weight 10 ounces $12.00

ACTIVITY 4

1. Name at least three reasons why prices for the same or similar sweater may be different in different catalogs. Write the answer in the Student Response Booklet.
2. Is this a quality product? Explain what is meant by quality? Write the answer in the Student Response Booklet.

PRODUCT FEATURES. The make, form, or quality of a product is designed to appeal to the customer. But primarily the features are so designed as to be convenient, safe and useable.

When buying a product, you will note that some features are standard; others are extra. Extra features usually add to the price of the product. So it could be assumed that you pay more for extra features. You save by paying only for the features that are really useful.

ACTIVITY 5

Look in the catalog that you have at home, or ask the teacher for the classroom copy.

Read descriptions of at least three different TV models.

Decide which features are:

1. standard
2. extra
3. luxury

Write the answers in the Student Response Booklet.

ACTIVITY 6

A company produces two models of automatic washers. Both are 16 lb. capacity models. Both have the same convenience and utility features. The difference is that one model has a lighter gauge metal. It has a less substantial agitator. It is painted rather than coated with porcelain enamel. The difference in materials produces a "quality" difference between the two products.

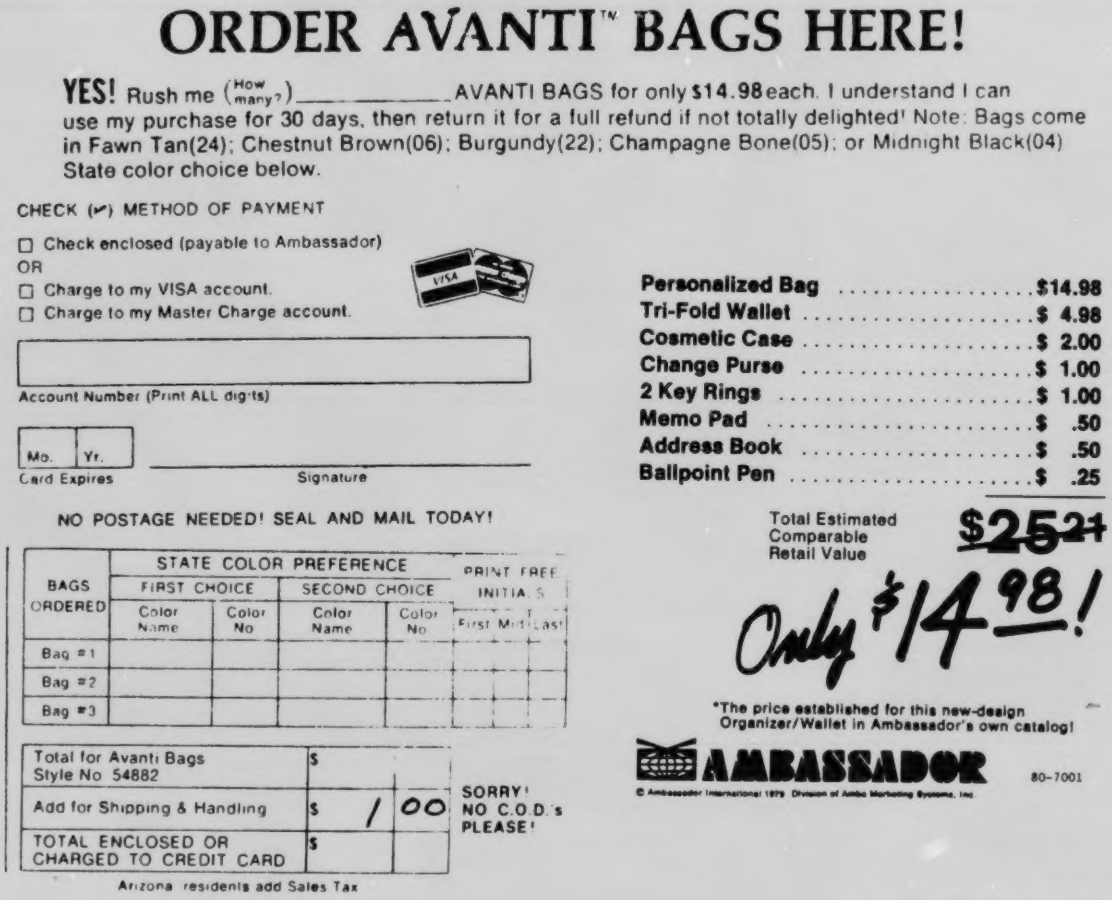
1. Explain what is meant by top quality. (Use the dictionary or material in this packet to help you.)
2. Explain when top quality would be important to you.

Write the answers in the Student Response Booklet.

ACTIVITY 7

Read the information from this Ambassador advertisement. Write the answers to the questions in your Student Response Booklet.

1. You are going to buy a purse. What are your color choices?
2. What are the color numbers?
3. What will it cost to have your initials put on the purse.?



ORDER AVANTI™ BAGS HERE!

YES! Rush me (How many?)____________AVANTI BAGS for only $14.98 each. I understand I can use my purchase for 30 days, then return it for a full refund if not totally delighted! Note: Bags come in Fawn Tan(24); Chestnut Brown(06); Burgundy(22); Champagne Bone(05); or Midnight Black(04) State color choice below.

CHECK (✓) METHOD OF PAYMENT

☐ Check enclosed (payable to Ambassador)

OR

☐ Charge to my VISA account.

☐ Charge to my Master Charge account.

Account Number (Print ALL digits)

Mo. Yr.

Card Expires

Signature

NO POSTAGE NEEDED! SEAL AND MAIL TODAY!

BAGS ORDERED	STATE COLOR PREFERENCE FIRST CHOICE Color Name	Color No	SECOND CHOICE Color Name	Color No	PRINT FREE INITIALS First	Mid	Last
Bag #1							
Bag #2							
Bag #3							

Total for Avanti Bags Style No 54882	$	
Add for Shipping & Handling	$ 1	00
TOTAL ENCLOSED OR CHARGED TO CREDIT CARD	$	

SORRY! NO C.O.D.'s PLEASE!

Arizona residents add Sales Tax

Personalized Bag	$14.98
Tri-Fold Wallet	$ 4.98
Cosmetic Case	$ 2.00
Change Purse	$ 1.00
2 Key Rings	$ 1.00
Memo Pad	$ .50
Address Book	$ .50
Ballpoint Pen	$ .25

Total Estimated Comparable Retail Value ~~$25.21~~

Only $14.98!

*The price established for this new-design Organizer/Wallet in Ambassador's own catalog!

AMBASSADOR 80-7001

© Ambassador International 1979 Division of Ambo Marketing Systems, Inc.

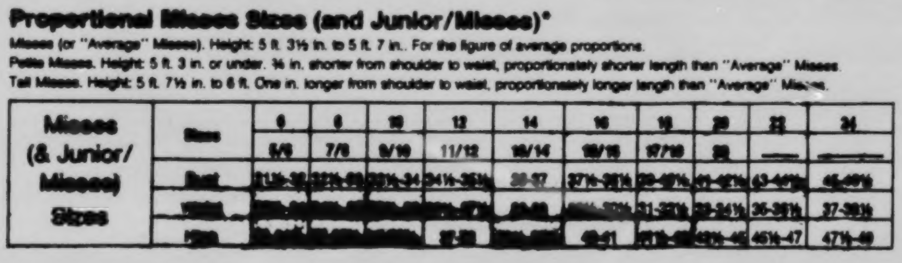
4. What is the cost for shipping and handling?
5. What is the price of the purse?
6. If you bought each item separately, how much would it cost?
7. Is the product guaranteed?
8. How much money will you save by buying the purse instead of buying each item separately?

ACTIVITY 8

Catalog descriptions give directions for measuring or ordering clothing for men, women and children. The word "proportionate" is often used on the charts. Answer the following questions in your Student Response Booklet.

If Mary wore a size 13/14 dress, would the correct measurements be on this chart? if so, list:

1. bust measurement
2. waist measurement
3. hip measurement
4. the height for "Average Miss?"
5. "proportionate" means,



Proportional Misses Sizes (and Junior/Misses)*

Misses (or "Average" Misses). Height: 5 ft. 3½ in. to 5 ft. 7 in.. For the figure of average proportions.

Petite Misses. Height: 5 ft. 3 in. or under. ¾ in. shorter from shoulder to waist, proportionately shorter length than "Average" Misses.

Tall Misses. Height: 5 ft. 7½ in. to 6 ft. One in. longer from shoulder to waist, proportionately longer length than "Average" Misses.

Misses (& Junior/ Misses) Sizes											
	Size	6	8	10	12	14	16	18	20	22	24
		5/6	7/8	9/10	11/12	13/14	15/16	17/18	20	—	—
	Bust	31½-32	32½-33	33½-34	34½-35½	36-37	37½-38½	39-40½	41-42½	43-44½	45-46½
	Waist	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	31-32½	33-34½	35-36½	37-38½
	Hip	[illegible]	[illegible]	[illegible]	37-38	[illegible]	40-41	[illegible]	[illegible]	45½-47	47½-49

ACTIVITY 9

Use the chart to answer the following questions. Write the answers in the Student Response Booklet.

Mary decided to order a new dress from the catalog.

1. How will she determine the size?
2. Will the size ordered vary by fabric of garment?
3. Mary's measurements are:
   heighth. . . . .54 inches
   waist. . . . .23 inches
   chest. . . . . . 27 1/2 inches
4. What size dress will she order?

Dresses and Jumpers

- Determine size by HEIGHT and CHEST measurements only, unless stated in item description that waist measurement is important.

FOR HEIGHT (inches)	49–51½	52–53½	54–55½	56–58	58½–60½	61–63
Order SLIM size	***7s***	***8s***	***10s***	***12s***	***14s***	......
CHEST (inches)	24½–25	25½–26	26½–27½	28–29	29½–30½	......
Natural Waistline (inches)	20½–21	21½–22	22½–23	23½–24	24½–25	......

Body measurements determine size. The size you order should not vary by fabric or price of garment.

ACTIVITY 10

Mary wanted to buy a shirt for her brother. His sizes were:
neck...size 16 inches
chest...size 44 inches
sleeve...size 34 inches

Use the chart to answer the questions. Write the answers in the Student Response Booklet.

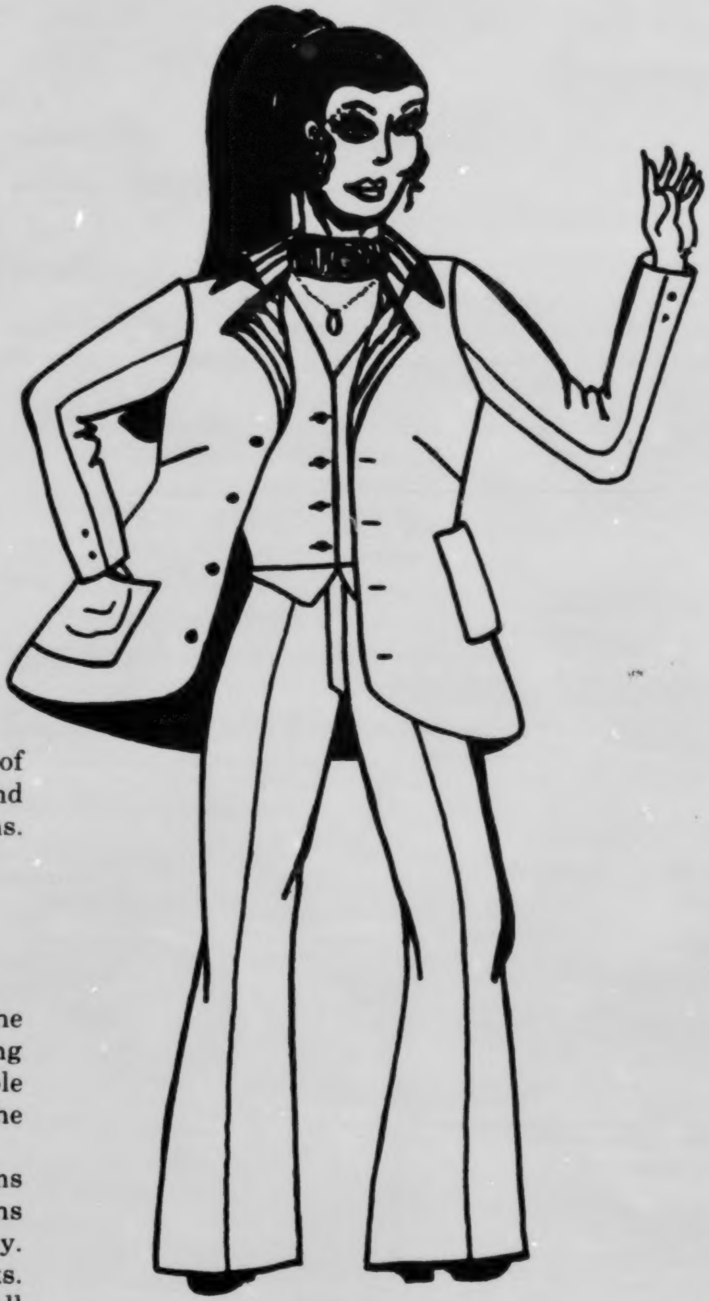
1. How tall is Mary's brother?
2. What size shirt would he wear?
3. Which of the following would he wear?
   - Big-Long
   - Big-Regular
   - Extra-Tall
   - Tall
   - Regular

Size Chart for Correct Fit in Men's Casual Shirts

Range	Regular				Tall			Extra-Tall				Big Regular		Big-Long	
Size	S	M	L	XL	M	L	XL	A	B	C	D	F	G	J	K
Neck	14-14½	15-15½	16-16½	17-17½	15-15½	16-16½	17-17½	15-15½	16-16½	17-17½	18-18½	18-18½	19-19½	18-18½	19-19½
Sleeve Length (for long sleeve styles)	32¾	33½	34¼	35	35	35¾	36½	36½	37¼	38	38¾	35¾	36½	37¼	38
Chest Size	34-36	38-40	42-44	46-48	38-40	42-44	46-48	38-40	42-44	46-48	50-52	50-52	54-56	50-52	54-56
Height	5'7"-5'11"				5'11½"-6'2½"			6 3"-6'6½"				5'7"-5'11"		5'11½"-6'2½"	

WARDROBE PLANNING. You need a basic knowledge of fabric facts to select clothing. This is true whether you buy from the catalog or from the store. A knowledge of prices of different types of clothing aids in buying and planning for present and future clothing purchases. Information on fabric care and use, helps in choosing clothing for specific purposes.
In selecting items from a catalog you must read all of the fine print. You can then determine and decide if the item is what you really want and need.

This 4-piece outfit has a shirt, jacket, vest and pants. The entire cost of the outfit is $40.00.



ACTIVITY 11

Suppose you own this outfit. Take inventory of the rest of your wearable clothing. Then plan a basic wardrobe for one of the following:

- first year in college
- first year on a job
- housewife
- beautician
- telephone lineman (male or female)

Estimate the cost of your new purchases. Check the estimated costs against actual catalog prices.
List these costs in the Student Response Booklet.

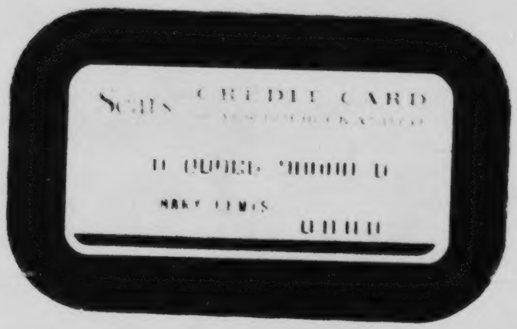
CREDIT. The use of credit permits the use of future income to satisfy present needs and wants. Sales credit comes in different forms. There are:

- regular charge accounts
- revolving or open-end accounts
- time payment accounts
- home improvement credit plans

Each form of credit is designed to meet the different needs of the consumer. Knowing about these forms of credit makes it possible to choose the form best suited to you, the consumer's need.
Studying and filling out application forms enables you to understand the obligations that are involved. Credit services cost money. The cost varies among the stores and banks. The finance charges are not the same for all the types of credit. It is important to:

- Know how to figure the cost of credit.
- Shop for the credit plan which best suits your needs.

Remember! The lowest cost of credit is not the only thing to consider. You must think about length of terms, dependability and integrity of the place of business. You should also consider convenience and the helpful guidance that should be provided.



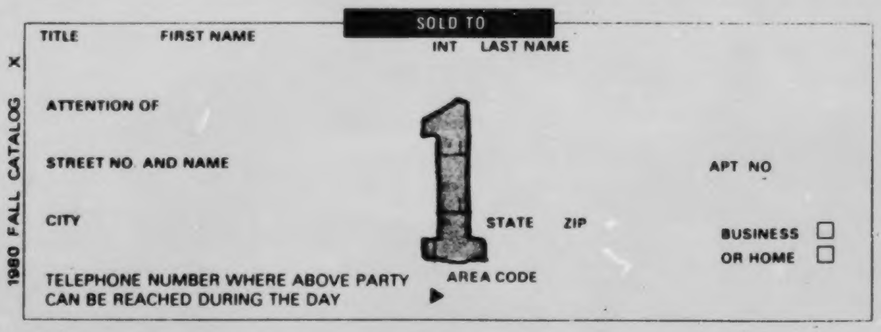
ACTIVITY 12

Get a credit application form from a catalog or retail store. Look in your packet for an example if you can't get one. **Study the agreements** and then answer the following question in your Student Response Booklet.

- What promises would you be making by signing a credit contract.

HOW TO FILL OUT AN ORDER BLANK. Follow these simple instructions to complete the order form for Service Merchandise.

1. Complete Label One (1) by filling in your name and address.



SOLD TO

1980 FALL CATALOG X

TITLE FIRST NAME INT LAST NAME

ATTENTION OF

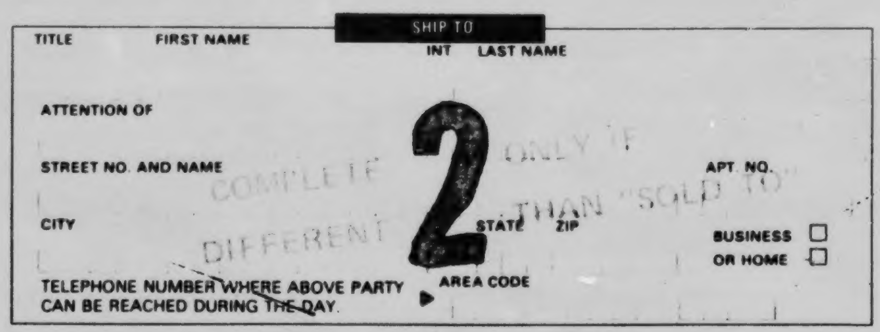
STREET NO. AND NAME APT NO

CITY STATE ZIP

BUSINESS ☐
OR HOME ☐

TELEPHONE NUMBER WHERE ABOVE PARTY CAN BE REACHED DURING THE DAY ▶ AREA CODE

2. Complete Label 2 by filling in name and address to which you want the goods shipped. (COMPLETE ONLY IF SHIPPED TO ADDRESS OTHER THAN ABOVE.)



SHIP TO

TITLE FIRST NAME INT LAST NAME

ATTENTION OF

STREET NO. AND NAME APT. NO.

CITY STATE ZIP

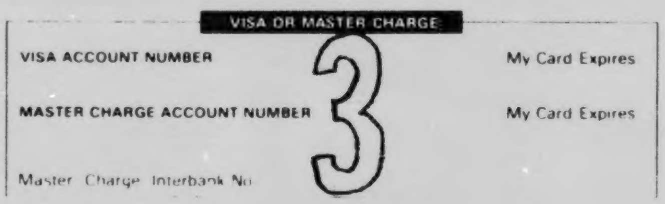
BUSINESS ☐
OR HOME ☐

TELEPHONE NUMBER WHERE ABOVE PARTY CAN BE REACHED DURING THE DAY. ▶ AREA CODE

COMPLETE ONLY IF DIFFERENT THAN "SOLD TO"

113

3. If your order is to be charged to your Bank Card, complete Box 3.



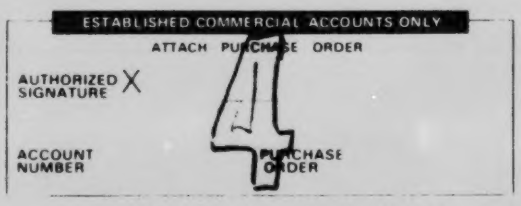
VISA OR MASTER CHARGE

VISA ACCOUNT NUMBER — My Card Expires

MASTER CHARGE ACCOUNT NUMBER — My Card Expires

Master Charge Interbank No

4. If your order is a Commerical Account Order, complete Box 4.



ESTABLISHED COMMERCIAL ACCOUNTS ONLY

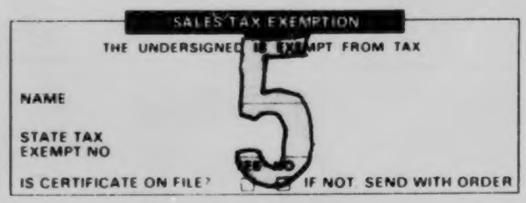
ATTACH PURCHASE ORDER

AUTHORIZED SIGNATURE X

ACCOUNT NUMBER

PURCHASE ORDER

5. If your order is Sales Tax exempt, complete Box 5.



SALES TAX EXEMPTION

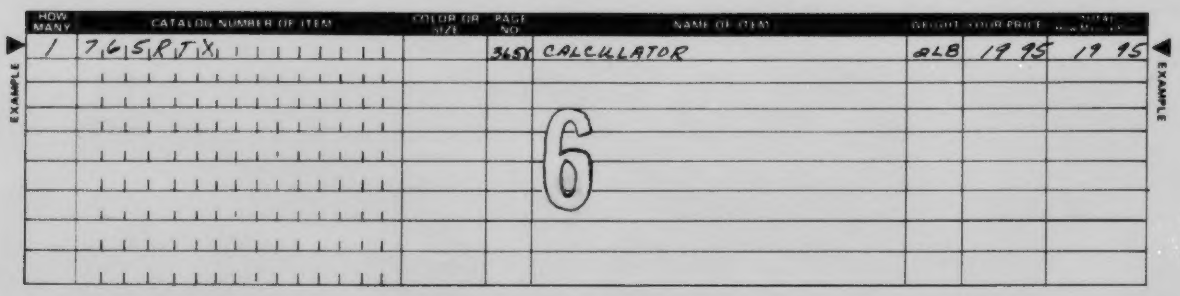
THE UNDERSIGNED IS EXEMPT FROM TAX

NAME

STATE TAX EXEMPT NO

IS CERTIFICATE ON FILE? YES ☐ NO ☐ IF NOT SEND WITH ORDER

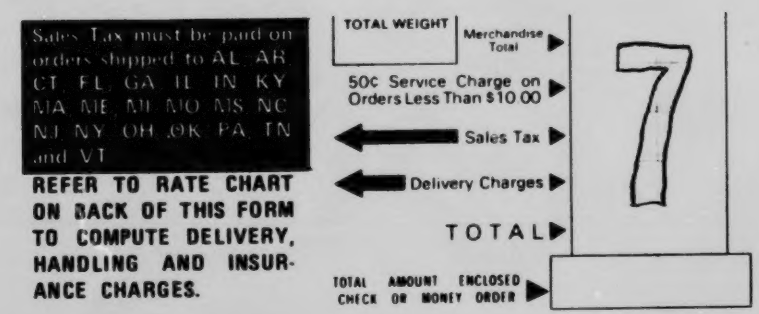
6. Complete your ordering information in Box 6 as follows:
- Enter how many of each item you want.
- Enter the catalog number.
- Enter the color and size.
- Enter the Catalog page number.
- Enter the NAME of the item.
- Enter the WEIGHT of the item.
- Enter the CODED UNIT PRICE.


EXAMPLE
6
EXAMPLE

HOW MANY	CATALOG NUMBER OF ITEM	COLOR OR SIZE	PAGE NO.	NAME OF ITEM	WEIGHT	YOUR PRICE	TOTAL [illegible]
1	765RTX		365X	CALCULATOR	2LB	19 95	19 95

7. TOTAL your order. Enter in Box 7 as follows:

- Merchandise Total
- Enter 50¢ Service Charge if order is under $10.00.
- Figure Sales Tax and enter in Sales Tax Block.
- Use chart to figure delivery charges.
- Enter the TOTAL AMOUNT of your order.
- Enclose a check, Money Order for the amount of your order unless your order is to be charged to your Bank Account.
- Enter the TOTAL amount enclosed.



Sales Tax must be paid on orders shipped to AL, AR, CT, FL, GA, IL, IN, KY, MA, ME, MI, MO, MS, NC, NJ, NY, OH, OK, PA, TN and VT

REFER TO RATE CHART ON BACK OF THIS FORM TO COMPUTE DELIVERY, HANDLING AND INSURANCE CHARGES.

TOTAL WEIGHT

Merchandise Total ▶

50¢ Service Charge on Orders Less Than $10.00 ▶

Sales Tax ▶

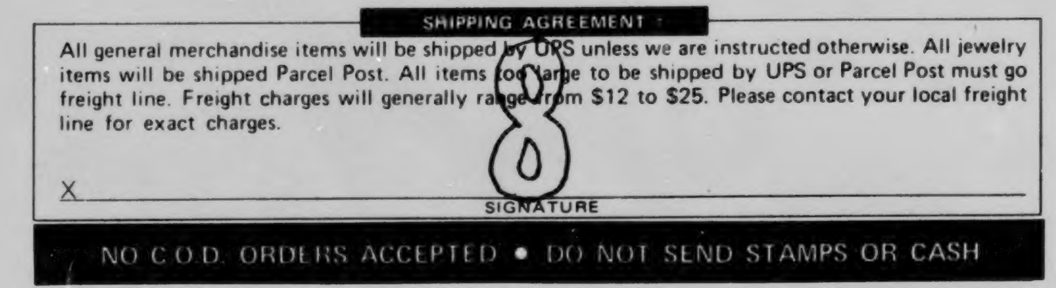
Delivery Charges ▶

TOTAL ▶

TOTAL AMOUNT ENCLOSED CHECK OR MONEY ORDER ▶

7

8. NOTE SHIPPING AGREEMENT.
Please read and OK by signature.



SHIPPING AGREEMENT

All general merchandise items will be shipped by UPS unless we are instructed otherwise. All jewelry items will be shipped Parcel Post. All items too large to be shipped by UPS or Parcel Post must go freight line. Freight charges will generally range from $12 to $25. Please contact your local freight line for exact charges.

8

X ______________________________
SIGNATURE

NO C.O.D. ORDERS ACCEPTED • DO NOT SEND STAMPS OR CASH

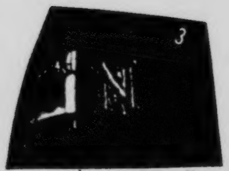
ACTIVITY 13

Read the ads below from the Service Merchandise Catalog. Choose 2 items. Fill out the order form in your Student Response Booklet.

100140-XC [illegible]
(J) Spartus [illegible]
easy-to-read numerals [illegible]
fly on [illegible]
Yellow molded case. [illegible]

(B) Standard Size Folk Guitar Outfit. Natural color hardwood top, brown mahogany sides and back. Pearl position markers. Fixed bridge, slotted head on steel reinforced neck. Incl. record, case, pick, etc. 36x13x3⅜". 7 lbs.
04001-MHU2297 .... $29.95†

(C) Soundesign FM/AM Clock Radio Model 3439. Wake to radio or buzzer alarm. Lighted easy-to-read clock face, slide rule tuning dial. AFC on FM. Snooze switch. 60-minute sleep switch. Walnut-grained plastic. 4 lbs.
3439REA2884 .... $39.95†



3 **Youth's Initial Ring** in 10K yellow gold with genuine black onyx center. To size 10.
1014UL3450 .... $52.50†

HOW TO RETURN ITEMS NOT WANTED. Sometimes you may want to return what you have ordered. You may not like what you ordered. It may be the wrong color or size. It may be damaged. Perhaps the item does not look like the picture in the catalog. Here are some reasons to return an item.

1. The company made a mistake in your order. They sent the wrong size or substituted an item.
2. The item may be defective, soiled or damaged. (You do not have to accept damaged merchandise.)
3. You find that you do not like the merchandise. (The clothing may not fit. The color may be wrong.)

In order to return an item, you must have the SALES TICKET. If you return the item by mail, make a copy of the sales ticket for your records. If you return an item to the catalog desk in a store take the sales ticket with you. The sales people will help you. They want you to be a satisfied customer. You will then return to buy more goods in the future.

COMPLAINTS. The increase in catalog sales has brought an increase in complaints. The Catalog Council of the Direct Mail Marketing Association says mail-order sales last year topped $30 billion dollars. The Better Business Bureau (BBB) says there are more complaints about the mail order industry than any other industry. The most frequent complaints are:

late deliveries
merchandise that is not like the "picture"

In order to protect yourself there are some things to do.

1. Find out about a company's reputation before you order.
2. Read the fine print. Do not rely on photographs.
3. Add up the costs. If shipping charges are included, know what they are.
4. Do not send cash. Use a check, money order or credit card.
5. Ask about the refund policy.
6. Ask about repair or policies for replacing bad merchandise.
7. Keep a record of your order.
8. Report problems to the company.
9. If there are serious problems that can not be solved by reporting to the company, call or visit a local Consumer Affairs Agency.
10. When all else fails, write a letter to:

    MAIL ORDER ACTION LINE
    of the Direct Mail Marketing
    Association

6 East 43rd Street
New York, N.Y. 10017

ACTIVITY 14

Assume you have bought an item from a catalog that you do not like. Write a letter to the above address. Explain the situation. Write the letter in your Student Response Booklet.

STUDENT RESPONSE BOOKLET
CONSUMER ECOMOMICS - 5
CATALOGS

NAME____

DATE____________________

ACTIVITY 1

1. I have these catalogs at home.

I obtained them by:

2. The item/items I have ordered recently from a mail-order company are

ACTIVITY 2

ACTIVITY 3

ACTIVITY 4

1.

2.

ACTIVITY 5

1. standard

2. extra

3. luxury

ACTIVITY 6

1. Top quality means

2. It is important because

ACTIVITY 7

1.
2.
3.
4.
5.

6. ____________________
7. ____________________
8. ____________________

ACTIVITY 8

1. bust measurement ____________________
2. waist measurement ____________________
3. hip measurement ____________________
4. height for "Average Miss" ____________________
5. "proportionate" means ____________________

ACTIVITY 9

1. ____________________
____
2. ____________________
3. height ____________________
waist ____________________
chest ____________________
size dress Mary will order __________

ACTIVITY 10

1. ____________________
2. ____________________
3. ____________________

ACTIVITY 11

____
____
____
____

ACTIVITY 12

1. By signing a credit contract I would be promising to:

____

____

ACTIVITY 13

Use the order blank furnished with this packet.

ACTIVITY 14

You have bought an item from a catalog that you do not like. Using this address,

Mail Order Action Line
of the Direct Mail Marketing Association
6 East 43rd Street
New York, N.Y. 10017

write a letter explaining the situation

CE - 6
CONSUMER INFORMATION
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity Task Packet, the adult learner will be able to use consumer information sources to select goods and services.

INTRODUCTION:

This packet introduces the use of non-profit consumer magazines and reports.

The student will have the chance to use references, library services and also the opportunity to interact with peer groups to discuss the relative value of various consumer information sources.

If the student needs additional help with library services, he/she should first study the unit on LIBRARY: CR-5.

If a trip to the library is difficult for your students, they may still work in this packet. However, you will need to have some materials on hand. These include a few issues of **Consumer Reports** and **Consumers' Research.** You will also need a copy of **Consumer Reports Buying Guide Issue** or **Consumers Research Handbook of Buying Issue.** There is no Student Response Booklet.

ADAPTABILITY:

This packet is easily adaptable for use with individualized or one-to-one tutorial instruction. You may wish to conduct a group discussion.

READING LEVEL:

Due to the fact that the student is asked to read outside sources, the reading level is quite variable. A student who reads below Level I, Phase II will need special help.

MATHEMATICAL SKILLS:

No special math skills are needed for this packet.

PRE/POST TEST:

The vocabulary words in Activity 1 may be used as a pre/post test. If the student has difficulty reading these words, this packet will be too difficult because of the outside reading. However, it can still be used with the one-to-one tutorial method.

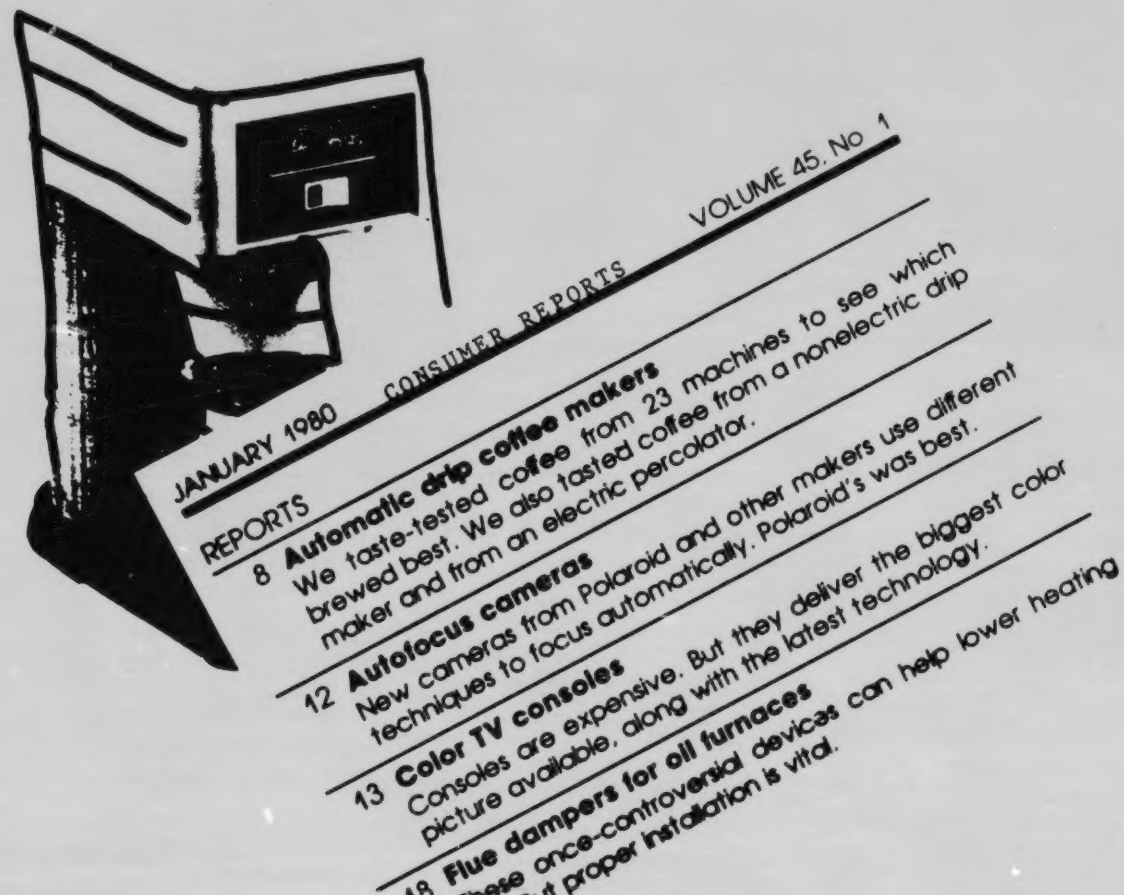
SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Uses references
  - Notes details
  - Locates information on charts
- Writing
  - Makes notes
- Speaking, Listening, Viewing
  - Seeks information
  - Presents information
  - Interprets ideas
  - Evaluates the content
- Problem Solving
  - Defines the problem
  - Obtains information
  - Examines alternatives
  - Selects best alternatives
  - Determines plan of action
- Interpersonal Relations
  - Interacts with others
  - Explains personal experience
  - Identifies potential conflict
- Computation
  - Subtracts decimals

To the student . . .

This SAT Packet includes information about many ways to save money. You will find out about:

- consumer magazines
- other consumer sources of information
- the value of various consumer information sources
- consumer vocabulary terms
- various brand ratings according to consumer information sources
- how to make choices of various brands of goods
- calculations necessary to compare different brands of items



JANUARY 1980 CONSUMER REPORTS VOLUME 45, No. 1

REPORTS

8 **Automatic drip coffee makers**
We taste-tested coffee from 23 machines to see which brewed best. We also tasted coffee from a nonelectric drip maker and from an electric percolator.

12 **Autofocus cameras**
New cameras from Polaroid and other makers use different techniques to focus automatically. Polaroid's was best.

13 **Color TV consoles**
Consoles are expensive. But they deliver the biggest color picture available, along with the latest technology.

18 **Flue dampers for oil furnaces**
These once-controversial devices can help lower heating bills. But proper installation is vital.

VOCABULARY WORDS

Before you work in this packet, you need to know the following words. Look at the list below. If there are words you can't say, ask for help.

advertise
appliance
comparative
consumer publications
durability
merchandise
model
recommended
specification

ACTIVITY 1

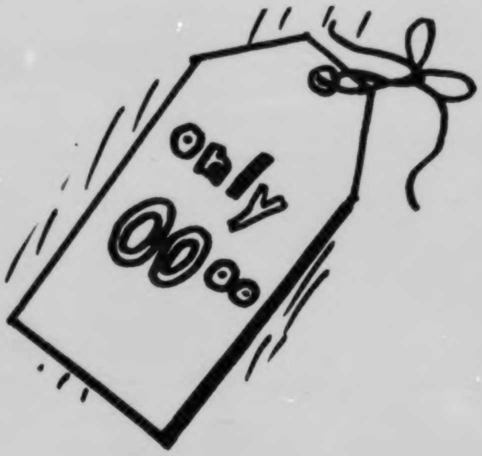
Use the list of words above to fill in the blanks. When you finish, check your answers. The answers are on the last page of this packet. Use your own paper.

1. Magazines that test products to see how they will work are called ______________ ______________________________ .
2. A refrigerator is an example of a major ______________________________ .
3. Detailed information about the size of an appliance is an example of a __________ .
4. Many companies _____ on TV and in the newspaper to sell their product.
5. A good product may be __________ by a friend.
6. _______ means that something will hold up well when used a lot.
7. Purchases bought and sold at stores are called ____________________________ .
8. Going to different stores to check prices is called ____________________ shopping.
9. In order to buy a part to fix a stove, you must know the ______________ number.

HOW TO SAVE MONEY ON MAJOR PURCHASES

Probably the very best way to save on a major purchase is to plan ahead. This is easy to do if you are buying something for the first time. It is a lot harder if suddenly an appliance breaks down. Even if this happens, plan your purchase. Don't shop in a panic. Looking around for only a few days can save you money.

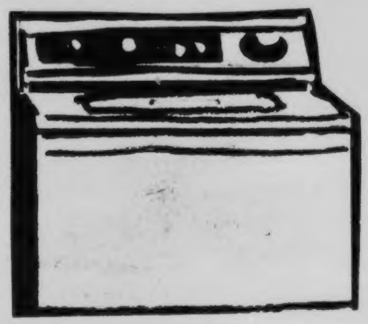
As soon as you start thinking about buying an appliance, a TV or a stereo, read the ads. Look around in several different stores. Decide exactly what you want.



The next step is a trip to the library. There are two groups that publish magazines and buying guides. These groups are Consumer Research and Consumers Union. They test all sorts of products to find out which give you the most for your money. They are nonprofit, so they don't make any money from saying a certain product is the best.

In November, 1979, the Consumers Union magazine, called **Consumer Reports** tested washing machines. They tested about fifteen different major brand machines including Maytag, GE, Sears, and Hotpoint. They checked for some of the following things:

How much water each machine used
How much electric power each machine used
How much lint was left on the laundry
How much noise each machine made
How often a machine needed repair



Other information given about each machine included:

1) Price range
2) Advantages and disadvantages
3) Extras (such as a bleach dispenser and soap saver)

Finally, the article summed up the best buys. Testing of other appliances is similar.

Consumers Research magazine also has the results of product tests. This group rates things in the following way:

- recommended
- intermediate
- not recommended

Both **Consumer Report** and **Consumers Research** have an index at the back of each monthly magazine. The index has a list of all products tested recently. Suppose you want to know about washing machines. The index shows that **Consumer Report** tested washing machines in November of 1979. Use the **Consumer Report** magazine for the month of November, 1979.

Both groups also have a yearly buying guide. They are paperback books that give information about products in various areas. This will give you an idea of how things are listed.

Health, food, nutrition
Recreation
Major appliances
Cameras
Cars
Kitchen and laundry

After reading about a product in one of these consumer publications, you should know what is best for you. You can check prices over the phone. Be sure to compare the same model numbers. Once you have made up your mind, don't let a salesperson talk you into anything. Sometimes these people try to sell you a more expensive model. It may have accessories you don't need. For example, suppose a person wants a new stereo. He has many records, but no tapes. A stereo with a tape player would be of little use to this person.

ACTIVITY 2

Think of something you would like to buy. It might be one of the following:

washer, dryer, microwave oven, TV, stereo, dishwasher, toaster, electric blanket, camping or fishing equipment or tools.

In order to complete this activity, go to the library. If you cannot go to a library, ask your teacher to assist you with this activity.

Follow these steps:

1. Find this month's issue of both **Consumer Reports** and **Consumers' Research.** The librarian will help you.
2. Look in the index at the back of the magazine. See if the product you would like to buy is listed. If not, choose something else that is listed.
3. Find the issue for the month that has the information on the article you want to buy. Sometimes these are stored in another room. The librarian may have to get the magazine for you.
4. Read about the item you are interested in. Take notes on what you read. Include brand names, model numbers, and prices. Ask yourself these questions:
   a. Is the most expensive brand the best?
   b. Are the extras on the most expensive brand worth the added expense?
   c. Do you need the "extras"?
   d. Does the difference in price of the brands you read about have a lot to do with the quality?
5. Choose the brand that seems to be the best buy for you. Write down the reasons.

ADDITIONAL HELP: Before you leave the library, take a look at the buying guides. These are the books that sum up information from the magazines. The books are called:

**CONSUMERS' RESEARCH
HANDBOOK OF BUYING ISSUE
and
CONSUMER REPORTS BUYING
GUIDE ISSUE**

Look at the table of contents. Pick an area of interest. Read through some of the pages in the chapter. This will give you an idea about what is in a buying guide. If you need help locating the books, ask the librarian.

There are several other places that print information on wise buying. The Cooperative Extension Service has free booklets on these appliances:

Buying a New Sewing Machine	HE-464
Focus on Dishwashers	HE-569
Focus on Ranges	HE-570
Focus on Refrigerators	HE-571
Focus on Washers & Dryers	HE-572
Appliances For a New Home	HE-565

These are free at most county offices of the Cooperative Extension Service.

The U.S. Government Printing Office also has many pamphlets which give consumer information. To get a catalog, write:

Superintendent of Documents
Government Printing Office
Washington, D.C. 20402

ACTIVITY 3

Do one of the following:

1. Locate the address and phone number of your County Cooperative Extension Service. Write, call, or stop by and ask for a "Publications List."
2. Write the Superintendent of Documents. Ask for a catalog of consumer publications. Be sure to include your name and address.

ANSWER KEY

ACTIVITY 1

1. consumer publications
2. appliance
3. specification
4. advertise
5. recommended
6. durability
7. merchandise
8. comparative
9. model

CE 7-8
COST FACTORS/ COMPARISON SHOPPING
TEACHER'S GUIDE

PERFORMANCE OBJECTIVES:
Upon completion of this Student Activity/Task Packet the adult learner will be aware of factors that affect costs of goods and services and will be able to determine the most economical places to shop. The adult learner will also be aware of the principles of comparison shopping.

INTRODUCTION:
This SAT Packet has been combined with CE-8 and covers factors that affect costs of goods and services and the principles of comparison shopping.

There will be information to help the adult student determine the most economical places to shop and which stores are the most relative to their needs and wants.

Understanding the advantages and disadvantages of shopping at a particular store and the factors that affect cost are of utmost importance to adult students. It is hoped that this packet will be a valuable source of learning to the student.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one and group work. You may want to have a group session in which the class discusses the principles of comparison shopping and the concepts of peer pressure as a factor in purchasing.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase II. The Level I, Phase I student should experience success with teacher assistance.

MATHEMATICAL SKILLS:
Math will be beneficial to the student.

SKILLS OBJECTIVES:
- Reading
    - Develops vocabulary
    - Obtains information
    - Draws conclusions
    - Generalizes to similar situations
    - Distinguishes between fact and opinion
- Speaking, Listening, Viewing
    - Presents information
    - Describes personal view
    - Seeks information
- Writing
    - Makes notes
    - Fills out forms
- Problem Solving
    - Defines the problem or situation
    - Obtains the needed information
    - Examines constraints
    - Plans alternatives
    - Selects the best alternatives or determines plan of action
- Interpersonal Relations
    - Interacts with others
    - Explains his/her preferences and needs to others
    - Identifies potential conflicts
- Computation
    - Adds
    - Subtracts
    - Multiplies
    - Figures decimals
    - Figures percentages
    - Divides (unit pricing)

PRE/POST TEST:
The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. There are ten questions on the test. The student should score 90% in order to test out of the packet.

CE 7-8

PRE/POST TEST

MULTIPLE CHOICE — Write the letter of the best answer:

1. Which type of store usually has the best service?
   - a. Discount store
   - b. Catalog store
   - c. Specialty store
   - d. Mail order store
2. There are two kinds of written warranties. These are:
   - a. Limited and partial
   - b. Guaranteed and limited
   - c. Full and restricted
   - d. Full and limited
3. Bulk buying means:
   - a. Buying a lot of one item
   - b. Buying a large item
   - c. Buying a lot of things at one store
   - d. Buying at a pre-season sale
4. Which of the following is an example of a specialty store?
   - a. Hardware store
   - b. Department store
   - c. Discount department store
   - d. Catalog store
5. A chair that regularly sells for $72.00 is on sale for 25% off. What is the sale price?
   - a. $57.00
   - b. $54.00
   - c. $48.00
   - d. $45.00

The following questions are true or false. Mark "T" for true or "F" for false.

T F 6. An anniversary sale means a sale at the end of the year.
T F 7. A catalog store sells things at discount prices.
T F 8. It is usually easy to return something you buy from a mail order store.
T F 9. The cost of a large appliance always includes delivery.
T F 10. A warranty and a guarantee are the same thing.

CE 7-8

PRE/POST TEST ANSWER SHEET

MULTIPLE CHOICE — Write the letter of the best answer:

1. Which type of store usually has the best service?
   - a. Discount store
   - b. Catalog store
   - [✓ c.] Specialty store
   - d. Mail order store
2. There are two kinds of written warranties. These are:
   - a. Limited and partial
   - b. Guaranteed and limited
   - c. Full and restricted
   - [✓ d.] Full and limited
3. Bulk buying means:
   - [✓ a.] Buying a lot of one item
   - b. Buying a large item
   - c. Buying a lot of things at one store
   - d. Buying at a pre-season sale
4. Which of the following is an example of a specialty store?
   - [✓ a.] Hardware store
   - b. Department store
   - c. Discount department store
   - d. Catalog store
5. A chair that regularly sells for $72.00 is on sale for 25% off. What is the sale price?
   - a. $57.00
   - [✓ b.] $54.00
   - c. $48.00
   - d. $45.00

The following questions are true or false. Mark "T" for true or "F" for false.

T [✓ F] 6. An anniversary sale means a sale at the end of the year.
[✓ T] F 7. A catalog store sells things at discount prices.
T [✓ F] 8. It is usually easy to return something you buy from a mail order store.
T [✓ F] 9. The cost of a large appliance always includes delivery.
[✓ T] F 10. A warranty and a guarantee are the same thing.

To the student . . .

This SAT Packet gives you information about factors that affect the cost of goods you buy. The packet also contains information about:

- the most economical places to shop
- comparing costs of products
- comparing costs of other services
- understanding vocabulary words and abbreviations
- guarantees and store sales

Serving You Comes First

There are many things that affect costs from store to store. A large department store has more clerks to pay than a discount store does. However, it is easier to get help at a department store. A mail order store has lower prices. However, you can only see a picture of what you are buying. The real product may not be what you expected.

Let's take a look at the advantages and disadvantages of shopping at different stores.

DEPARTMENT STORE

This is a very large store usually several floors high. It sells almost anything we might want. Products include clothes, appliances, furniture, toys, kitchenware, sports equipment, cameras, rugs, books and much more.

Advantages —

You can find everything in one store. This may save time and gas.
There are usually enough clerks to wait on customers.
It is easy to return or exchange things.
The store will deliver things to your home.

Disadvantages —

Prices are often higher than at other stores.

DISCOUNT DEPARTMENT STORE

This type of store also has many different types of things for sale. The store is usually one story spread out over a large area. Examples include Zayre, K-Mart and Ayr-Way.

Advantages —

Lower prices may be found on many items.
You can find everything in one store.

Disadvantages —

The selection in each department is not very big.
Often there are not enough clerks to help you find something.
You may have to wait in a long line to get checked out.

SPECIALTY STORES

These are small stores that sell particular types of things. Examples include shoe stores, dress shops, stereo stores, automotive stores, bookstores, furniture and appliance stores.

Advantages —

The selection is usually quite good at a specialty store.
The service is excellent. Salespeople in these stores are anxious to wait on you.
Stores have frequent sales.
It may be easier to get credit at a neighborhood specialty store.

Disadvantages —

A salesperson may put pressure on you to buy.
You may have to travel a long way to get to the store.
If the store is a neighborhood store, credit terms may run up your cost.

CATALOG STORE

These stores have a showroom full of merchandise. You can see what you are buying before you order it. You fill out an order card with the catalog number and give it to the clerk. A little later your number is called and you pick up your order.

Advantages —

All items are at a discount price.
You can look at what you want to buy before you buy.
The selection of items covers many departments.

Disadvantages —

You may have to wait in line only to find out the store has run out of what you want.
There are no department salespeople to answer questions.

MAIL ORDER STORES

At these stores you pick items out of a catalog. Your order arrives several days, or weeks, later. There are two types of mail order stores.

1. Department store mail order such as Sears, Penney's and Wards.

Advantages —

This is a convenient way to shop if you live in a small town with few stores.
Selection of items covers many departments.
Prices are usually low.

Disadvantages —

You see only a picture before you buy.
You must wait for your purchase.

2. Specialty mail order stores that sell things like flower bulbs, clothes, books, records and food.

Advantages —

The selection is quite varied.
Prices are often discounted.
It is a convenient way to shop without having to leave home.

Disadvantages —

You may have to wait several weeks or even months to receive your purchase.
It is quite difficult to return anything.
Lots of small mail order stores go out of business quickly. You will lose your money if this happens.

ACTIVITY 1

In this activity you will do some price comparison. Choose one of the following items.

- stereo
- lawnmower
- dryer
- tape player
- air conditioner
- television
- dishwasher
- washer
- chain saw
- electric blanket
- sofa sleeper

Find the item in the Sears or Penney's Catalog. If there are several models, choose the one that you might want. In your Student Response Booklet, write the price. Also write the size or any special features. You will need this information to compare products at different stores.

Over the weekend or as soon as you have time do the following:

Call or visit a department store, a discount department store and a specialty store.

Find out the price for the item you picked in the catalog. Be sure the size and features are about the same. Keep the information and answer these questions.

1. Which store has the lowest price?
2. What was the difference in price between the cheapest and most expensive store?

There are a few things to keep in mind when buying large items. Some stores deliver appliances and furniture free. Some stores install an appliance as part of the sale price. Others charge extra. When you compare prices, be sure to find out about delivery and installation charges. Also check on the guarantee or warranty.

A warranty and guarantee are the same thing. It is a promise by the factory or seller to stand behind its product. There is a law about warranties. The law says that you, the consumer, must be allowed to look at the warranty before you buy. This law applies to anything which costs more than $15.00. All warranties must be easy to read and understand.

There are two types of written warranties. They are called full warranties and limited warranties.

Full Warranty means:

1. A defective product will be fixed or replaced free.
2. It will be fixed soon after you complain.
3. The warranty is good for anyone who owns the product.
4. If the product can't be fixed, you get your choice of a new one or your money back.

Read the full warranty carefully. Some full warranties do not cover the whole product. For example, a TV warranty may cover only the cost of the picture tube. You may have to pay labor costs for the installation. If some other small tube or part fails, you may have to pay for the tube or part plus installation.

Limited Warranty could mean any of the following:

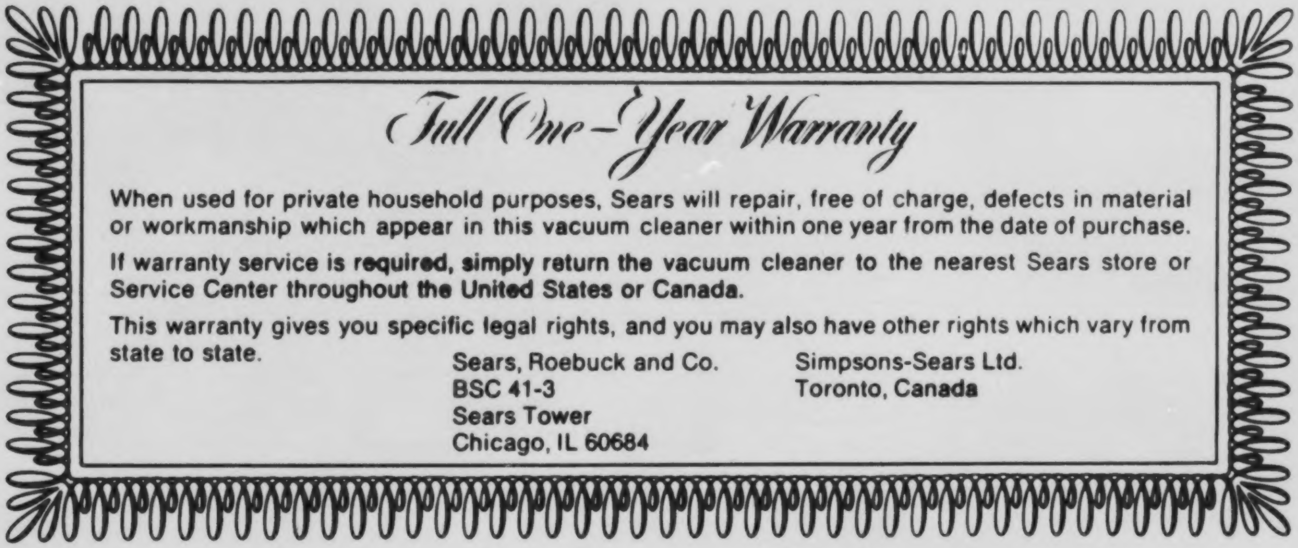
1. Only parts are covered and the buyer pays the labor cost for the repair person.
2. The amount of money refunded for a faulty product goes down as the months pass.
3. The customer may have to return a heavy product, such as a water heater or range, to the store for service.
4. There may be a charge for handling.

Only things that are written in the warranty are covered. What a sales clerk tells you doesn't count unless the same thing is written in the warranty. When you compare products you should also compare warranties. It may not be worth it to buy a cheaper brand with a limited warranty. You could end up with a big repair bill.

Every state has an implied warranty law. This means that the product you buy must do what it is supposed to do. For example, a toaster must toast and a hair dryer must dry hair. Also if you buy something that the seller states is for a certain purpose, it should work. For example, if a seller says a sleeping bag is good for zero degree weather, it should, in fact, keep a person warm in zero degree weather.

Read the following example warranties.

EXAMPLE #1 Sears Vacuum



Full One-Year Warranty

When used for private household purposes, Sears will repair, free of charge, defects in material or workmanship which appear in this vacuum cleaner within one year from the date of purchase.

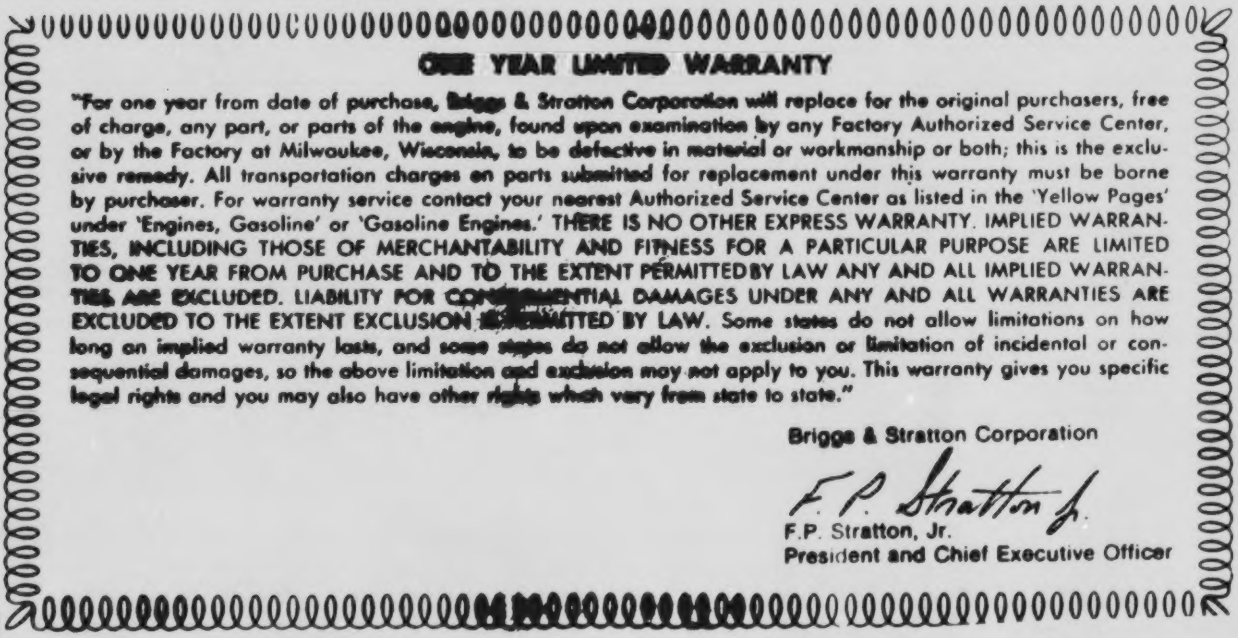
If warranty service is required, simply return the vacuum cleaner to the nearest Sears store or Service Center throughout the United States or Canada.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

Sears, Roebuck and Co.
BSC 41-3
Sears Tower
Chicago, IL 60684

Simpsons-Sears Ltd.
Toronto, Canada

EXAMPLE #2 Chain Saw Warranty



ONE YEAR LIMITED WARRANTY

"For one year from date of purchase, Briggs & Stratton Corporation will replace for the original purchasers, free of charge, any part, or parts of the engine, found upon examination by any Factory Authorized Service Center, or by the Factory at Milwaukee, Wisconsin, to be defective in material or workmanship or both; this is the exclusive remedy. All transportation charges on parts submitted for replacement under this warranty must be borne by purchaser. For warranty service contact your nearest Authorized Service Center as listed in the 'Yellow Pages' under 'Engines, Gasoline' or 'Gasoline Engines.' THERE IS NO OTHER EXPRESS WARRANTY. IMPLIED WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE LIMITED TO ONE YEAR FROM PURCHASE AND TO THE EXTENT PERMITTED BY LAW ANY AND ALL IMPLIED WARRANTIES ARE EXCLUDED. LIABILITY FOR CONSEQUENTIAL DAMAGES UNDER ANY AND ALL WARRANTIES ARE EXCLUDED TO THE EXTENT EXCLUSION IS PERMITTED BY LAW. Some states do not allow limitations on how long an implied warranty lasts, and some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation and exclusion may not apply to you. This warranty gives you specific legal rights and you may also have other rights which vary from state to state."

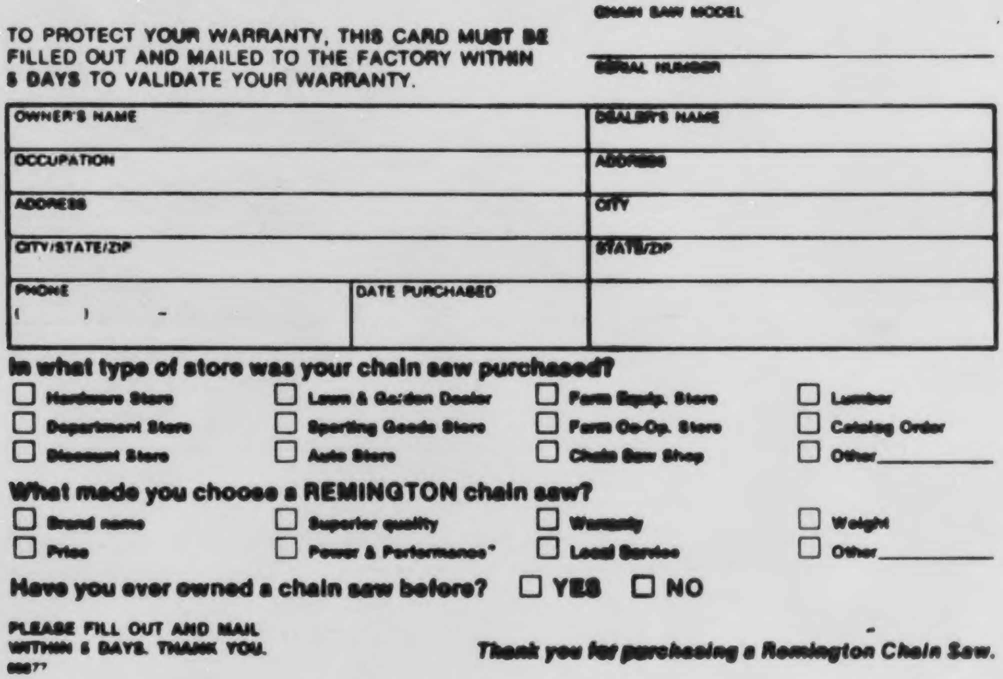
Briggs & Stratton Corporation

F. P. Stratton Jr.
F.P. Stratton, Jr.
President and Chief Executive Officer

The Sears vacuum cleaner warranty is a full warranty. It is easy to understand. If anything goes wrong the first year, Sears will fix it.

Sample Warranty #2 is not as easy to understand. It is for a lawn mower engine. It is a limited warranty. Repair service is only available for the original purchasers. The cost of sending parts from the factory must be paid by the customers.

Often you must fill out a card to make your warranty service good. This is called validating. The card below shows the kinds of information usually asked for.



TO PROTECT YOUR WARRANTY, THIS CARD MUST BE FILLED OUT AND MAILED TO THE FACTORY WITHIN 5 DAYS TO VALIDATE YOUR WARRANTY.

CHAIN SAW MODEL

SERIAL NUMBER

OWNER'S NAME		DEALER'S NAME
OCCUPATION		ADDRESS
ADDRESS		CITY
CITY/STATE/ZIP		STATE/ZIP
PHONE ( ) -	DATE PURCHASED	

In what type of store was your chain saw purchased?

- ☐ Hardware Store
- ☐ Department Store
- ☐ Discount Store
- ☐ Lawn & Garden Dealer
- ☐ Sporting Goods Store
- ☐ Auto Store
- ☐ Farm Equip. Store
- ☐ Farm Co-Op. Store
- ☐ Chain Saw Shop
- ☐ Lumber
- ☐ Catalog Order
- ☐ Other__________

What made you choose a REMINGTON chain saw?

- ☐ Brand name
- ☐ Price
- ☐ Superior quality
- ☐ Power & Performance"
- ☐ Warranty
- ☐ Local Service
- ☐ Weight
- ☐ Other__________

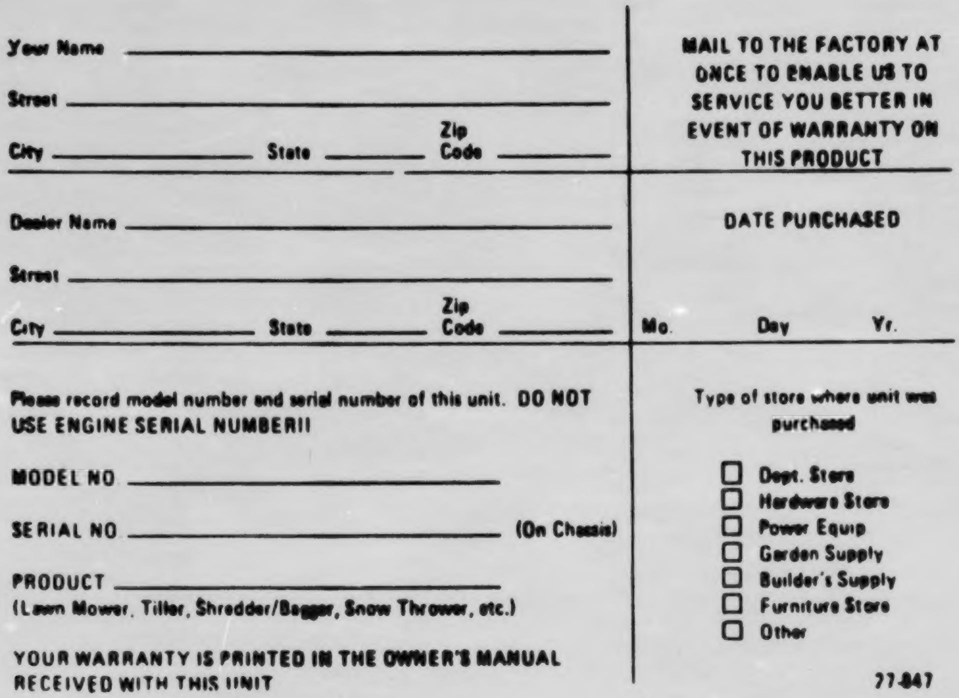
Have you ever owned a chain saw before? ☐ YES ☐ NO

PLEASE FILL OUT AND MAIL
WITHIN 5 DAYS. THANK YOU.
[illegible]77

Thank you for purchasing a Remington Chain Saw.

ACTIVITY 2

Fill out this warranty card in your Student Response Booklet. Here are the facts you need to know. You bought a lawnmower at Pete's Hardware Store on March 1, 1980. Pete's is at 309 West Street in Indianapolis. The model number is H14579800 and the serial number is 5766894.



Your Name ______________________

Street ______________________

City ____________ State ________ Zip Code ________

MAIL TO THE FACTORY AT ONCE TO ENABLE US TO SERVICE YOU BETTER IN EVENT OF WARRANTY ON THIS PRODUCT

Dealer Name ______________________

Street ______________________

City ____________ State ________ Zip Code ________

DATE PURCHASED

Mo. Day Yr.

Please record model number and serial number of this unit. DO NOT USE ENGINE SERIAL NUMBER!!

MODEL NO ______________________

SERIAL NO ______________________ (On Chassis)

PRODUCT ______________________
(Lawn Mower, Tiller, Shredder/Bagger, Snow Thrower, etc.)

YOUR WARRANTY IS PRINTED IN THE OWNER'S MANUAL RECEIVED WITH THIS UNIT

Type of store where unit was purchased

☐ Dept. Store
☐ Hardware Store
☐ Power Equip
☐ Garden Supply
☐ Builder's Supply
☐ Furniture Store
☐ Other

77-847

Now let's take a look at comparison shopping for smaller, cheaper items. Groceries are not included here. Packet CE-9 covers grocery shopping.

ACTIVITY 3

Look at the following list of words. If there are any that you cannot read, ask for help. Write the meaning of each term in your Student Response Booklet. Check your meanings with the answer sheet. It is on the last page of this packet.

advertisement
bargain
clearance sale
gimmick
grand opening sale
store wide sale

anniversary sale
bulk buying
close out sale
irregulars or seconds
merchandise
white sale

You can often save a lot of money at a sale. Clearance and closeout sales are usually at the end of a season or the end of the year. Merchandise is marked down to sell quickly. The store wants to get rid of it. You may find good buys at a grand opening sale. Things are sale priced to get people to come into a new store.

Most large department stores have a white sale once a year. This is a good time to buy all the sheets, towels, wash cloths and linens you will need for the year. You can save even more if you buy seconds or irregulars. A sheet or towel that isn't perfect is still good for family use.

If the sale is a really good one, you might want to buy in bulk. Underwear and socks are good items to buy in bulk. If the sale price is good, buy enough for a few years.

One of the best ways to find out about sales is to read the Sunday paper. Most stores will put an advertisement in for a big sale. Use these ads from the Indianapolis Star to do Activity 4. If you do not know how to work percent problems, ask for help.

25% Off

14K Gold Earrings,
Also 15-Inch Chains

Reg. 15.00 to 100.00 Earrings, Sale 11.19 to 74.99. Save on small ball styles to heavier hoops. **Reg. 42.50 to 70.00 Chains, Sale 31.99 to 52.49.** Assorted styles of chains including serpentine, Byzantine, curb and piatina.

Better Jewelry, dept. 149.

20% Off

Selected Men's Shoes

Reg. 9.00 to 250.00, Sale 7.19 to 199.99. Selected styles by Nunn Bush, Dexter, Totes, Sundowners and more. Casual to dressy!

Men's Store, dept. 540

ACTIVITY 4

1. With 25% off, how much would you pay for a gold chain that was $62.50?
2. A pair of gold earrings was $22.95. How much are they with the 25% discount?
3. A pair of men's shoes was $75.00. What is the sale price?

Check your answers.

ACTIVITY 5

You will need a copy of a recent Sunday newspaper for this activity. Look through the ads in the paper. Try to find the same item on sale at two stores. What is the difference in price? Figure this out in your Student Response Booklet.

There are several different kinds of stores that sell the same item. For example, you can buy cough medicine at a drug store, a discount store, a grocery store, and a pharmacy. You can buy garbage bags at a hardware store, a grocery store, a discount store and a drug store. Sometimes it is hard to figure out where to find the bargain price. Also the store with the lowest price may not be a bargain for you. If the store with the lowest price is very far away, it might cost you more to get there than you would save. Shopping at a more expensive store close to home saves time and travel cost. Some questions to ask yourself when choosing a store include:

Can I get credit?
Will the store take my check?
Is it easy to return or exchange things?
Are the clerks friendly?
Can I get help if I need it?

ACTIVITY 6

This activity is optional. Do it if you have time and think it would be interesting.

Compare the prices of the following things at four different types of stores.

Items: flashlight batteries
dishwashing soap
wool mittens
Bayer aspirin

The stores to check price are:

drug store
department store
discount store
grocery store

Do this activity on your own paper. Talk to your family or friends about the price differences. Also discuss travel costs and convenience.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS 7-8
COST FACTORS/COMPARISON SHOPPING

NAME ____

DATE ____________________________

ACTIVITY 1

1. Which store has the lowest price?

   ____

2. The difference in dollars between the cheapest and most expensive store is __________

ACTIVITY 2

Fill out the warranty card. The facts are:

You bought a lawnmower at Pete's Hardware Store on March 1, 1980. Pete's is at 309 West Street, Indianapolis, Indiana. The model number is H14579800 and the serial number is 5766894.

Your Name ______________________________

Street ______________________________

City ____________ State ________ Zip Code ________

Dealer Name ______________________________

Street ______________________________

City ____________ State ________ Zip Code ________

Please record model number and serial number of this unit. DO NOT USE ENGINE SERIAL NUMBER!!

MODEL NO. ______________________

SERIAL NO. ______________________ (On Chassis)

PRODUCT ______________________
(Lawn Mower, Tiller, Shredder/Bagger, Snow Thrower, etc.)

YOUR WARRANTY IS PRINTED IN THE OWNER'S MANUAL RECEIVED WITH THIS UNIT

MAIL TO THE FACTORY AT ONCE TO ENABLE US TO SERVICE YOU BETTER IN EVENT OF WARRANTY ON THIS PRODUCT

DATE PURCHASED

Mo. Day Yr.

Type of store where unit was purchased

- ☐ Dept. Store
- ☐ Hardware Store
- ☐ Power Equip.
- ☐ Garden Supply
- ☐ Builder's Supply
- ☐ Furniture Store
- ☐ Other

77-847

ACTIVITY 3

Write the meaning of each term listed:

advertisement ____________________

bargain ____________________

clearance sale ____________________

gimmick ____________________

grand opening sale ____________________

store wide sale ____________________

anniversary sale ____________________

bulk buying ____________________

close out sale ____________________

irregulars or seconds ____________________

merchandise ____________________

white sale ____________________

ACTIVITY 4

1. ____________________
2. ____________________
3. ____________________

ACTIVITY 5

ACTIVITY 6

This activity is to be done on your own paper.

CE 7-8

COST FACTORS/COMPARISON SHOPPING

ANSWER KEY

ACTIVITY 3

1. Advertisement — something paid for by a seller to get people to buy a product.
2. Anniversary sale — sale that is held to celebrate the time a store went into business.
3. Bargain — a purchase which saves you money.
4. Bulk buying — buying a lot of one item so it can be used in the future.
5. Clearance sale — sale to get rid of out of season items.
6. Close out sale — sale to get rid of last year's models.
7. Gimmick — something to get people's attention so they will come into a store.
8. Irregulars or seconds — items that are not perfect.
9. Grand opening sale — sale held when a new store opens.
10. Merchandise — goods and products that are for sale.
11. Storewide sale — some things in all departments are marked down.
12. White sale — sheets, towels and linens are on sale.

ACTIVITY 4

1. $46.87
2. $17.21
3. $60.00

CE-9: PACKAGING/COST OF GOODS
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this Student Activity/Task Packet the adult learner will know the various methods by which consumer goods are packaged. The student will learn which methods are the best value in terms of quality and storage for personal needs.

INTRODUCTION:
The focus of this packet is on the packaging of items available at a grocery store. It includes information on unit pricing, comparison pricing, USDA grades and label information. The final activity requires the learner to make a trip to the grocery store.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individual, one-to-one tutorial, buddy system, and group work. The suggested group activity is a presentation on packaging by a resource person. A local county extension agent or a high school home economics teacher might serve as resource personnel.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase I and Phase II.

MATHEMATICAL SKILLS:
The student will need a basic knowledge of decimal division.

PRE/POST TEST:
There is no Pre/Post Test. Student interest and need should determine which students are assigned work in this packet.

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Obtains information
  - Draws conclusions
  - Distinguishes between fact and opinion
  - Derives personal relevance
- Speaking, Listening, Viewing
  - Presents information
  - Describes personal view
- Problem Solving
  - Defines the situation
  - Obtains needed information
  - Examines constraints
  - Determines plan of action
- Computation
  - Adds
  - Subtracts
  - Multiplies
  - Divides
  - Figures percents
  - Figures weights and measures

To the student . . .

In this SAT Packet you will learn how consumer goods are packaged and sold. You will read about unit prices, company prices, labels and other factors that affect the cost of goods. This will help you determine the best places to shop and the best prices for your money.

10 second Tomato Soup
Nestlé Souptime
Nestlé Souptime
Instant
Tomato
Soup
10 second
soup

VOCABULARY. There may be words in the packet that you have not used. Study the following word list and their meanings. If you need help with other words, your teacher will assist you.

convenience — handy
ingredients — part of a mixture
processes — series of changes
nutrition — food promoting growth
imitation — not genuine or real
USDA — United States Dept. of Agriculture
generic — not protected by trademark
retail — to sell in small amount to the consumer
consumer — one that uses goods for himself
wholesale — sale of goods in quantity
merchandise — goods that are bought and sold in business

ABBREVIATIONS. You will need to know these abbreviations for this packet.

ounce - oz.
pound - lb.
quart - qt.

PACKAGING AND COST OF GOODS. A large amount of our budget is spent on food. Packaging and wrapping adds to the cost of all goods. Food and grocery store items are especially affected. In some cases, packaging rather than quality may explain the major price differences in many items. For most of us, going to the grocery store isn't what it used to be. Careful shopping is necessary to save money.

Deciding what is a "good buy" can be a problem. How might price be affected by portion sizes, packaging methods and unit pricing.

Consider the following:
- — fruits and vegetables
- — seasonal specials
- — quality items as well as quantity
- — buying by weight instead of size of package
- — convenience foods versus home preparation
- — package size and portions
- — store brands versus "name brands"
- — processed meats (bacon, hot dogs, bologna)
- — quality of meat, fish and eggs
- — frozen, canned versus fresh goods

Fruits and Vegetables. Fruits and vegetables are an essential part of our diet. We can buy them fresh, canned or frozen. Fresh fruits and vegetables are a good buy when in season. Check carefully if they are marked down for quick sale. It is no bargain to buy half-price strawberries if most of them are spoiled. Buy only as much as you need. Fresh fruits and vegetables spoil easily. It doesn't pay to over-buy.

Canned and frozen vegetables and fruits are good buys when fresh foods are out of season. These foods are grown especially for canning and freezing. The foods used in canning and freezing are usually grown quite near the packaging plants. This insures products being processed when fresh.

Fruits and vegetables may be packaged or sold by the pound. They may be whole, cut, sliced or diced. They can be bought at a savings if you check the method by which they are sold. Two brand names of the same food, in the same quantity, may have different prices. Often the store's own brands are less expensive than the national brands, but just as good. The package may be slightly torn and yet the food good. The can may have a small dent and the food value remain the same. Don't buy canned goods that may be spoiled. Don't buy fruits and vegetables that may be spoiled. Check the packaging and the cans. If the can is swelling or bulging, not just dented, then it may be spoiled. If the package has been open for sometime, the food may be spoiled. Check carefully.

Convenience Foods. Convenience foods are those which can be fixed in a hurry. Some examples of convenience foods are:
- — TV dinners
- — instant potatoes
- — frozen potatoes
- — frozen pot pies
- — cake mixes
- — pizza
- — canned soups
- — dried soup mixes

D
CONDENSED
TOMATO
SOUP

Limit 1 With This Coupon
Pillsbury
Fudge
Brownie Mix
21½-oz.
Box
99¢

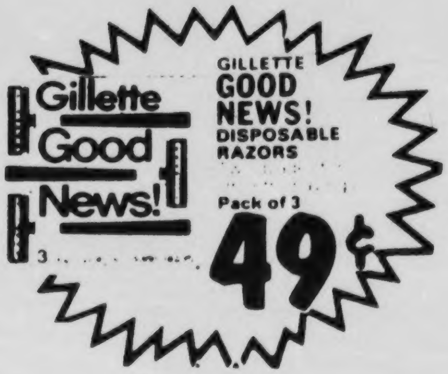
Frozen dinners and other frozen dishes are quick and easy. But the prices are higher. It costs money to have someone else do your cooking! It costs money to package foods for freezing.

Ready-to-eat snacks are expensive. Again packaging adds costs to such small items. Canned foods such as soups can become expensive items. There was a time when people made their own soup. They added their own fresh vegetables and leftovers. It tasted good. It was nutritious. But homemade soup was a lot of work. Condensed soup in a can became one of our first real convenience foods. Today the pot of homemade soup is again "bubbling" in the kitchen. There is a new interest in avoiding processed foods. Home prepared foods are often more nutritious and less expensive. There are few packaging costs.

Non-grocery Items. It is often cheaper to buy non-grocery items at discount stores. Compare prices on items such as laundry soap, paper towels, toothpaste, razor blades.

These are items you can stock. The packaging can be a cost factor.

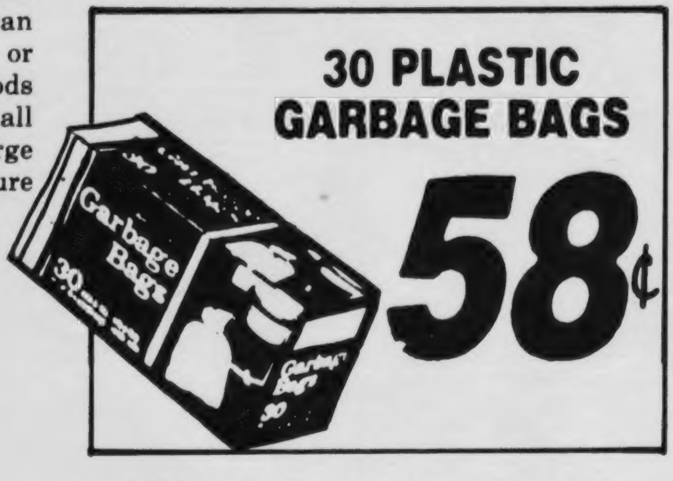
Crest
CREST



Small or Large. You can sometimes save money when you buy foods packaged in large sizes. This is only true if the food is used before part of it spoils or gets stale. Items such as raisins, potato chips, cereal and crackers can be bought packaged in small containers or boxes. It is usually expensive to buy foods packaged this way. Sometimes two small packages can be less expensive than one large package. You need to check prices to be sure you are getting the "best buy."

GENERIC FOODS. Lower Bills, No Frills. How do generic foods and non-foods such as paper towels and household cleaners save shoppers money? They lack snob appeal, according to *Consumer Digest.* Their black and white wrappers are far from eye-catching. "No frills," "No Names" and "Plain Wraps" are proving to be popular items on the grocery shelves today. Food labels and advertising by national brand names can cost the consumer. By using generic products, consumers can cut the costs by as much as half. 10,000 grocers across the U.S. now carry generics. It is called the third choice to name brand and store label items. While some carry only a few brand-free products, others stock over 100. Many stores do not sell plain wraps. Instead they have promoted their own store brands to compete.

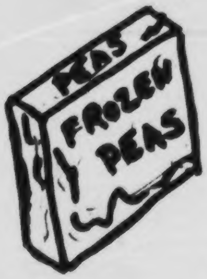
Packaging, labeling and advertising make a difference in the price between no frills and other brands. The major factor affecting generic price is so called "quality." Generic products are rated at a lower grade than name brands. Non-food items, (like garbage bags) are often of lighter materials. Many consumers find little quality difference compared to the cost savings.



The first generic brand in America appeared at Jewel Food Store in Chicago in February, 1977. At that time, the chain began testing 45 low-speed simply packaged products in 13 stores. By the end of the year, they were marketing 90 items in 69 stores.

How much can generics save shoppers? How much can the shopper save by buying generic goods? Jewel says that generic lines offer a price reduction of 10 to 20% over their private label. 20 to 40% over national brands. Other companies have noted a 15 to 35% overall savings. Both A&P and Pathmark in New Jersey claim generic prices 30% below national brands. Other companies agree that the savings can be as much as 40%. *Consumers Digest* completed a survey. They found savings vary among products. The average was about 20% in comparison with private labels. It was 40% in comparison with national brands.

It is a fact that no name items offer price savings over private labels and national brands. Differences in packaging and labeling play a role. The nutritional value of generic label foods compares favorably with other like products. "A pea is a pea" explained one retailer. "It may be dented, bigger or off-color. Variation in size and color does not affect the nutritional value of foods."



PORK 'N BEANS

Generic Drugs. Questions of quality are more critical when it comes to drugs. Is bargain aspirin really a bargain? Is it inferior or poor quality? Nobody knows if there is a quality difference between the generic and brand name over-the-counter prescription drugs. In most cases, the quality is probably just as good.

WHILE PUSHING DOWN TURN

LABELS. You will find on the *name brand, store brand* or *generic label* a listing of ingredients. The first ingredient listed is the main ingredient (according to weight). The next item is second (by weight) and etc. Look at this list on a chicken vegetable soup label:

> Ingredients: chicken stock, potatoes, carrots, chicken, water, celery, wheat flour, starch, yeast extract.

You can see there are more potatoes and carrots than chicken. If a label says "Chicken Soup" you may not get much chicken. Labels can be misleading. Read the small print!!

Labels often give nutrition information. This means the number of calories, protein, vitamins and minerals. These are listed per serving. Look at the example.

NUTRITION INFORMATION PER SERVING

Serving size.........9½oz.(269 g)
Servings per container..........2
Calories......................190
Protein (grams)................13
Carbohydrate (grams)...........21
Fat (grams).....................5

PERCENTAGE OF U.S. RECOMMENDED
DAILY ALLOWANCES (U.S. RDA)

Protein.......25 Riboflavin.....6
Vitamin A....100 Niacin........15
Vitamin C......8 Calcium........2
Thiamine.......* Iron...........6
*Contains less than 2% of the U.S. RDA of this nutrient.

The *name brand, store brand* or *generic label* lists the number of servings in the can. It also lists the calories per serving. The RDA (Percentage of Recommended Daily Allowance) is listed on the label.

All labels must tell whether the product is imitation. An example of an imitation product is sour cream. It must be labeled "imitation sour cream." It is not as nutritious as regular sour cream. If a drink looks like orange or grape juice, but is imitation, it must be written on the label. Many fruit drinks are made with only 10% or 20% real juice. They must be labeled as "drink" rather than juice.

There are four kinds of dates given on different product labels. These dates do not appear on all labels. It depends upon the kind of product and the kind of labeling. You should learn the meaning of these dates.

PACK DATE - This tells when the food was packaged. This kind of date may be on canned and dry foods.

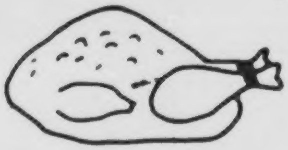
PULL OR SELL DATE - This is the last date the food should be sold. It allows for some time in good refrigerators. Foods with pull dates include: milk, ice cream, and lunch meats.

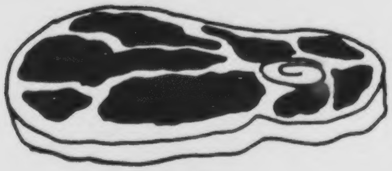
EXPIRATION DATE - This is the last date a food should be eaten. Yeast, baby formula, and ready-to-bake breads are examples of food items with an expiration date.

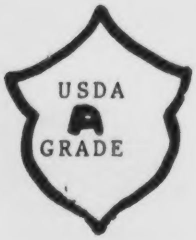
FRESHNESS DATE - This date is on some bakery products. When the date expires, the goods are reduced for quick sale.

GRADE. Another thing you may find on a label is a USDA grade. This means it has been checked by a U.S. government grader. Grading is not required by law. A product is only graded because the seller asks for it. Foods that usually have a USDA grade include:

meat	butter
turkey	cheese
eggs	vegetables



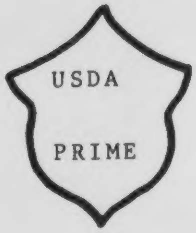


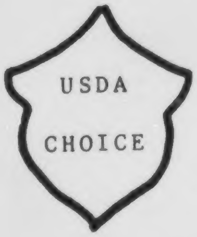


This is the way the USDA shield looks on an egg carton. U.S. grade AA and grade A eggs have thick whites and firm yolks. When the egg is cracked, the yolks are firm and bright yellow and the whites are thick.

Grade B eggs are better for cooking and baking. They are not as firm as grade A and AA. Fruits and vegetables are also graded by the letter A, B, and C.

Meat is graded as USDA **Prime**, **Choice** and **Good.** There are lower grades, but they usually are not marked on the meat. **Prime** meat is very expensive. It is top quality. Most homemakers buy USDA **Choice.** It is less expensive than **Prime.** It is better quality than **Good.** It is tender and has less fat than meat graded **Good.**





HOW TO SAVE MONEY. Find the chart marked Table 3. It shows the cost of 3 ounces of meat, fish or poultry at different costs per pound. Let's compare chicken at 49¢ per pound to a whole ham at 99¢ per pound.

Since 49¢ is very close to 50¢ look across the top at "kind of cut" prices until you find 50¢. Now find "Poultry: Chicken, whole, ready-to-cook." Go across to meet the 50¢ column going down. A 3 oz. serving of chicken costs 23¢. Next check on the ham. Since 99¢ is almost $1.00, find the $1.00 price. Look under "Pork: Ham, cured: whole, bone out." Go across to the $1.00 column. A 3 oz. serving costs 26¢.

Using this chart compare the costs of the following:

Turkey, whole, ready-to-cook, at 79¢ per pound.
T-bone steak, bone in at $3.10 per pound.

You will find that the Turkey costs 38¢ for 3 ozs. while the T-bone steak costs $1.71 for 3 ozs.

When you shop for meat at the grocery, you need to compare more than price per pound. Also compare the number of servings you will get out of a cut of meat.

Using 3 ounces as a serving of meat, from one pound of meat you can obtain:

Lean meat - 3 to 4 servings

flank steak	boned roast
ground meat	liver
round steak	center cut ham
stew meat, lean	fish steaks and filets

TABLE 3.—*Cost of 3 ounces of cooked lean from selected ki and cuts of meat, poultry and fish at specified retail prices*

Price per pound[1] *(dollars)*

Kind and cut	.30	.40	.50	.60	.70	.80	.90	1.00	1.10	1.20	1.30	1.40	1.50	1.60	1.70	1.80	1.90	2.00	2.10	2.20	2.30	2.40	2.50	2.60	2.70	2.80	2.90	3.00	3.10	3.20
	Cost of 3 ounces (dollars)																													
Beef: Brisket, bone out	.12	.16	.20	.24	.28	.33	.37	.41	.45	.49	.53	.57	.61	.65	.69	.73	.78	.82	.86	.90	.94	.98	1.02	1.06	1.10	1.14	1.18	1.22	1.26	1.31
Chuck, bone in	.13	.18	.22	.27	.31	.36	.40	.45	.49	.54	.58	.62	.67	.71	.76	.80	.85	.89	.94	.98	1.02	1.07	1.12	1.16	1.20	1.25	1.29	1.34	1.38	1.43
Chuck, bone out	.10	.14	.17	.21	.24	.28	.31	.35	.38	.42	.45	.48	.52	.56	.59	.62	.66	.69	.73	.76	.80	.83	.87	.90	.94	.97	1.01	1.04	1.08	1.11
Ground lean	.08	.10	.13	.16	.18	.21	.23	.26	.29	.31	.34	.36	.39	.42	.44	.47	.49	.52	.55	.57	.60	.62	.65	.68	.70	.73	.75	.78	.81	.83
Porterhouse steak, bone in	.16	.21	.26	.31	.36	.42	.47	.52	.57	.62	.68	.73	.78	.83	.88	.94	.99	1.04	1.09	1.15	1.20	1.25	1.30	1.35	1.41	1.46	1.51	1.56	1.62	1.67
Rib roast, bone in	.13	.18	.22	.27	.31	.36	.40	.45	.49	.54	.58	.62	.67	.71	.76	.80	.85	.89	.94	.98	1.02	1.07	1.12	1.16	1.20	1.25	1.29	1.34	1.38	1.43
Round, bone in	.10	.13	.17	.20	.23	.27	.30	.34	.37	.40	.44	.47	.50	.54	.57	.60	.64	.67	.70	.74	.77	.80	.84	.87	.90	.94	97	1.00	1.04	1.07
Round, bone out	.09	.12	.16	.19	.22	.25	.28	.31	.34	.37	.40	.44	.47	.50	.53	.56	.59	.62	.66	.69	.72	.75	.78	.81	.84	.87	90	.94	.97	1.00
Rump roast, bone out	.10	.14	.17	.20	.24	.27	.31	.34	.38	.41	.44	.48	.51	.54	.58	.61	.65	.68	.72	.75	.78	.82	.85	.89	.92	.95	99	1.02	1.06	1.09
Short ribs	.18	.23	.29	.35	.41	.47	.53	.59	.64	.70	.76	.82	.88	.94	1.00	1.05	1.11	1.17	1.23	1.29	1.35	1.41	1.46	1.52	1.58	1.64	1.70	1.76	1.82	1.88
Sirloin steak, bone in	.13	.17	.21	.26	.30	.34	.38	.43	.47	.51	.55	.60	.64	.68	.72	.77	.81	.85	.89	.94	.98	1.02	1.06	1.11	1.15	1.19	1.24	1.28	1.32	1.36
Sirloin steak, bone out	.12	.16	.20	.23	.27	.31	.35	.39	.43	.47	.51	.55	.59	.62	.66	.70	.74	.78	.82	.86	.90	.94	.98	1.02	1.06	1.09	1.13	1.17	1.21	1.25
T-bone steak, bone in	.17	.22	.28	.33	.38	.44	.50	.55	.61	.66	.72	.77	.83	.88	.94	.99	1.05	1.10	1.16	1.21	1.27	1.32	1.38	1.43	1.49	1.54	1.60	1.65	1.71	1.76
Fish: Fillets, fresh or frozen	.09	.12	.15	.18	.20	.23	.26	.29	.32	.35	.38	.41	.44	.47	.50	.53	.56	.59	.62	.64	.67	.70	.73	.76	.79	.82	.85	.88	.91	.94
Steaks, fresh or frozen, backbone in	.10	.13	.16	.19	.23	.26	.29	.32	.36	.39	.42	.45	.48	.52	.55	.58	.61	.65	.68	.71	.74	.78	.81	.84	.87	.90	.94	.97	1.00	1.03
Tuna, canned[1]	.08	.11	.14	.16	.19	.22	.24	.27	.30	.33	.35	.38	.41	.44	.46	.49	.52	.55	.57	.60	.63	.66	.68	.71	.74	.76	.79	.82	.85	.87
Lamb: Leg roast, bone in	.13	.17	.21	.25	.29	.33	.38	.42	.46	.50	.54	.58	.62	.67	.71	.75	.79	.83	.88	.92	.96	1.00	1.04	1.08	1.12	1.17	1.21	1.25	1.29	1.33
Loin chop, bone in	.14	.18	.23	.27	.32	.36	.41	.46	.50	.55	.59	.64	.68	.73	.78	.82	.87	.91	.96	1.00	1.05	1.10	1.14	1.19	1.23	1.28	1.32	1.37	1.42	1.46
Rib chop, bone in	.17	.22	.28	.33	.38	.44	.50	.55	.61	.66	.72	.77	.83	.88	.94	.99	1.05	1.10	1.16	1.21	1.27	1.32	1.38	1.43	1.49	1.54	1.60	1.65	1.71	1.76
Shoulder roast, bone in	.14	.18	.23	.27	.32	.36	.41	.46	.50	.55	.59	.64	.68	.73	.78	.82	.87	.91	.96	1.00	1.05	1.10	1.14	1.19	1.23	1.28	1.32	1.37	1.42	1.46
Liver: Beef	.08	.11	.14	.16	.19	.22	.24	.27	.30	.33	.35	.38	.41	.44	.46	.49	.52	.54	.57	.60	.62	.65	.68	.71	.73	.76	.79	.82	.84	.87
Chicken	.09	.12	.14	.17	.20	.23	.26	.29	.32	.34	.37	.40	.43	.46	.49	.52	.55	.58	.60	.63	.66	.69	.72	.75	.78	.81	.84	.86	.89	.92
Pork: Butt, cured, bone in	.11	.14	.18	.22	.25	.29	.32	.36	.40	.43	.47	.50	.54	.58	.61	.65	.68	.72	.76	.79	.83	.87	.90	.94	.97	1.01	1.05	1.08	1.12	1.16
Ham, cured: whole, bone in	.10	.14	.17	.21	.24	.28	.31	.35	.38	.42	.45	.48	.52	.56	.59	.62	.66	.69	.73	.76	.80	.83	.87	.90	.94	.97	1.01	1.04	1.08	1.11
whole, bone out	.08	.10	.13	.16	.18	.21	.23	.26	.29	.31	.34	.36	.39	.42	.44	.47	.49	.52	.55	.57	.60	.62	.65	.68	.70	.73	.75	.78	.81	.83
slices	.09	.12	.16	.19	.22	.25	.28	.31	.34	.37	.40	.44	.47	.50	.53	.56	.59	.62	.66	.69	.72	.75	.78	.81	.84	.87	.90	.94	.97	1.00
canned	.08	.10	.12	.15	.18	.20	.22	.25	.28	.30	.32	.35	.38	.40	.42	.45	.48	.50	.52	.55	.58	.60	.62	.65	.68	.70	.72	.75	.78	.80
Loin, fresh: chops, bone in	.13	.18	.22	.27	.31	.36	.40	.45	.49	.54	.58	.62	.67	.71	.76	.80	.85	.89	.94	.98	1.02	1.07	1.12	1.16	1.20	1.25	1.29	1.34	1.38	1.43
roast, bone in	.15	.20	.25	.30	.35	.40	.46	.51	.56	.61	.66	.71	.76	.81	.86	.91	.96	1.01	1.06	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.47	1.52	1.57	1.62
roast, bone out	.10	.14	.17	.21	.24	.28	.31	.35	.38	.42	.45	.48	.52	.56	.59	.62	.66	.69	.73	.76	.80	.83	.87	.90	.94	.97	1.01	1.04	1.08	1.11
Picnics: cured, bone in	.14	.18	.23	.27	.32	.36	.41	.46	.50	.55	.59	.64	.68	.73	.78	.82	.87	.91	.96	1.00	1.05	1.10	1.14	1.19	1.23	1.28	1.32	1.37	1.42	1.46
cured, bone out	.11	.14	.18	.21	.25	.28	.32	.35	.39	.42	.46	.50	.53	.57	.60	.64	.67	.71	.74	.78	.81	.85	.88	.92	.96	.99	1.03	1.06	1.10	1.13
fresh, bone in	.16	.21	.27	.32	.38	.43	.48	.54	.59	.64	.70	.75	.80	.86	.91	.96	1.02	1.07	1.12	1.18	1.23	1.29	1.34	1.39	1.45	1.50	1.55	1.61	1.66	1.72
Rib chops, fresh, bone in	.15	.20	.25	.30	.35	.40	.46	.51	.56	.61	.66	.71	.76	.81	.86	.91	.96	1.01	1.06	1.12	1.17	1.22	1.27	1.32	1.37	1.42	1.47	1.52	1.57	1.62
Poultry: Chicken, whole, ready-to-cook	.14	.19	.23	.28	.32	.37	.42	.46	.51	.56	.60	.65	.70	.74	.79	.84	.88	.93	.98	1.02	1.07	1.12	1.16	1.21	1.26	1.30	1.35	1.40	1.44	1.49
Turkey, whole, ready-to-cook	.14	.19	.23	.28	.33	.38	.42	.47	.52	.56	.61	.66	.70	.75	.80	.84	.89	.94	.98	1.03	1.08	1.12	1.17	1.22	1.27	1.31	1.36	1.41	1.45	1.50
Veal: Chuck roast, bone in	.14	.19	.23	.28	.33	.38	.42	.47	.52	.56	.61	.66	.70	.75	.80	.84	.89	.94	.98	1.03	1.08	1.12	1.17	1.22	1.27	1.31	1.36	1.41	1.45	1.50
Leg roast, bone in	.16	.21	.26	.31	.36	.42	.47	.52	.57	.62	.68	.73	.78	.83	.88	.94	.99	1.04	1.09	1.15	1.20	1.25	1.30	1.35	1.41	1.46	1.51	1.56	1.62	1.67
Loin chop, bone in	.12	.16	.20	.24	.28	.32	.36	.40	.44	.48	.52	56	.60	.64	.68	.72	.76	.80	.84	.88	.92	.96	1.00	1.04	1.08	1.12	1.16	1.20	1.24	1.28
Rib chop, bone in	.15	.20	.25	.30	.34	.39	.44	.49	.54	.59	.64	.69	.74	.79	.84	.89	.94	.99	1.04	1.08	1.13	1.18	1.23	1.28	1.33	1.38	1.43	1.48	1.53	1.58

[1] For tuna fish, use price for 13-ounce can.

Source: Yields from "Food Purchasing Guide for Group Feeding", U.S. Department of Agriculture, AH-284, and unpublished data of the Consumer and Food Economics Institute.

Medium amount of bones, gristle or fat - 2 to 3 servings

most roasts	poultry
some chops and steaks	ham

Large amount of fat or bone - 1 to 2 servings

rib chops	spare ribs
shank	porterhouse
T-bone and club steaks	short ribs
chicken wings and backs	

If you have a large freezer, you may be able to save money on meat. Many meat lockers sell beef by the half or quarter. It is usually less expensive than buying individual packages of meat. Be very careful if you buy meat this way. There are many dishonest sellers in this business. If the price is very low per pound, it is probably because it is the "on hoof" weight. This includes the animal hide, all fat, bone, etc. After it is 'dressed' and cut up into meat you can use at home, it will weight a lot less. A 400 pound side of beef may trim down to only 225 pounds.

Example: A meat company offers a 400 lb. side of beef for $2.00 per pound on hoof.

400 lbs. x $2.00 = $800.00

The dressed weight is 225 lbs.

```
       $   3.55
225 ) 800.00
      675
      1250
      1125
        1250
        1125
         125
```

The price per pound would now be $3.55.

Sometimes a dishonest seller will show you a good piece of meat but package a lower grade. The best thing to do if you plan to buy a side of beef is to check on the seller. Call the Better Business Bureau to see if the business is an honest one.

ACTIVITY 1

Before shopping, there are several things to consider. Answer the following questions in your Student Response Booklet:

1. How many people are in your family?
2. Do you often have leftovers?
3. Does someone in your family fix at least one nutritious meal a day? If not, do you use convenience foods?
4. Do you have a freezer?
5. Do you buy non-grocery items at the grocery store? If yes, check to see if they are cheaper at a discount store.
6. Check which quantities/sizes you would buy for your family. Do this in your Student Response Booklet.

( ) large sizes
( ) small sizes
( ) convenience foods
( ) canned goods
( ) frozen foods
( ) other items

UNIT PRICING. Over 100 chain food stores use unit pricing. Unit pricing means the price of one ounce (oz.), one pound (lb.), or one quart (qt.). Foods like meat and cheese have always been sold by the ounce or pound. It is easy to see which cut of meat or type of cheese is cheaper. Now stores using unit pricing make it easier to compare most products. The unit price is either on the product itself or the shelf above or below the product.

Look at this example of how to figure unit price.

A 13 ounce can of tuna costs $1.56. To find the per ounce unit price, divide the total price by the number of ounces. This gives the price for one ounce.

$$\begin{array}{r} \$\ .12 \\ 13\ \overline{)\ 1.56} \end{array}$$

The price for one ounce is 12¢. To compare this price with different size cans, figure the unit price for each size. A six ounce can of tuna is 96¢. Therefore, the larger size is a better buy.

$$\begin{array}{r} \$\ .16 \\ 6\ \overline{)\ \ .96} \end{array}$$

When checking or figuring unit prices, make sure the measures are the same. You cannot compare price per pound of one thing with price per ounce of another. Remember the largest size is usually, but not always, the best buy.

ACTIVITY 2

Find the unit price for the following and write the answer in your Student Response Booklet:

3 pound bag of sugar —	$ .99
5 pound bag of sugar —	1.25
10 pound bag of sugar —	2.60

Which is the best buy?

ACTIVITY 3

This activity includes a trip to the grocery store. Take your Student Response Booklet and go to the store. It will be easier if you can find one that has unit pricing. It should give you a good idea about how to buy wisely.

1. Choose a vegetable you like to eat. Find the price of a frozen package and a can. Choose the size that is best for your family needs. Write down the size and price. Figure the unit price for both.
2. Select canned fruit that you like. Check unit prices on two name brands and the store's own brand.
3. Choose a snack food that comes in large packages and small, one serving packages. You might choose potato chips, nuts, raisins, or candy. Figure out the unit price.
4. Write briefly about your trip to the grocery store in your Student Response Booklet.

ACTIVITY 4

Read the questions. Write the answers in the Student Response Booklet.

1. Describe in your own words what the word "generic" means.
2. Find the store/stores in your community that carries generic products. List them in your Student Response Booklet.
3. Find a generic product in the store. Compare the price to that of a similar item.
4. What was the product you priced?
5. What was the price difference?
6. Was there a difference in the packaging?
7. Do you buy generic products?
8. If so, why?

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 9
PACKAGING/COST OF GOODS

NAME ______________________________

DATE ______________________________

ACTIVITY 1

1. ______________________________
2. ______________________________
3. ______________________________
4. ______________________________
5. ______________________________
6. ______________________________

(   ) large sizes
(   ) small sizes
(   ) convenience foods
(   ) canned goods
(   ) frozen foods
(   ) other items

ACTIVITY 2

Unit price for:

3 pound bag of sugar at $ .99 __________
5 pound bag of sugar at $1.25 __________
10 pound bag of sugar at $2.60 __________

The best buy is ______________________________

ACTIVITY 3

1. Vegetable you like to eat ______________________________

FROZEN
Size __________ Cost __________ Unit Price __________

CANNED
Size __________ Cost __________ Unit Price __________

2. Fruit that you like to eat ______________________________

Brand Name #1 __________ Unit Cost __________
Brand Name #2 __________ Unit Cost __________
Store Brand __________ Unit Cost __________

3. Snack food ______________________________

Large Package Unit Price __________
One Serving Package Unit Price __________

4. Write briefly about your trip to the grocery store.

ACTIVITY 4

Read the questions.

1. Describe in your own words what the word "generics" means.
2. Find the store/stores in your community that carries generic products.
3. Find a generic product in the store. Compare the price to that of a similar item.
4. What was the product you priced?
5. What was the price difference?
6. Was there a difference in the packaging?
7. Do you buy generic products?
8. If so, why?

CE-10: ADVERTISING/SELLING TECHNIQUES
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet the adult learner will be aware of advertising techniques and will be able to recognize appropriate and inappropriate forms of selling and advertising.

INTRODUCTION:

This SAT Packet concerns advertising and the appropriate and inappropriate techniques and practices used for these purposes. The focus of the material is on the advertising methods used in the printed media, on radio, and T.V. The adult student should develop an awareness of these selling methods, should learn the methods of lodging complaints regarding inappropriate practices, and should be able to determine the effects of advertising on the individual and general public.

Group work is suggested. A resource person from the Better Business Bureau, Legal Aid Society, State Consumer Protection, or the local high school would be effective in discussing appropriate and inappropriate methods of selling and advertising. A teacher-led group discussion would also be of value and benefit to the student. Visual distractions used in advertising, type of appeal made by a specific ad, and how to deal with misleading advertising are subjects of high interest level to the adult. Having an opportunity to benefit from group discussion will aid the Level I student who has reading problems and allow him/her the benefit of the material covered in the packet.

ADAPTABILITY:

The packet is adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system, and especially group work.

READING LEVEL:

The student should ecperience success with this packet if he/she reads at Level I, Phase I and II.

MATHEMATICAL SKILLS:

No specific math skills are needed for this packet.

PRE/POST TEST:

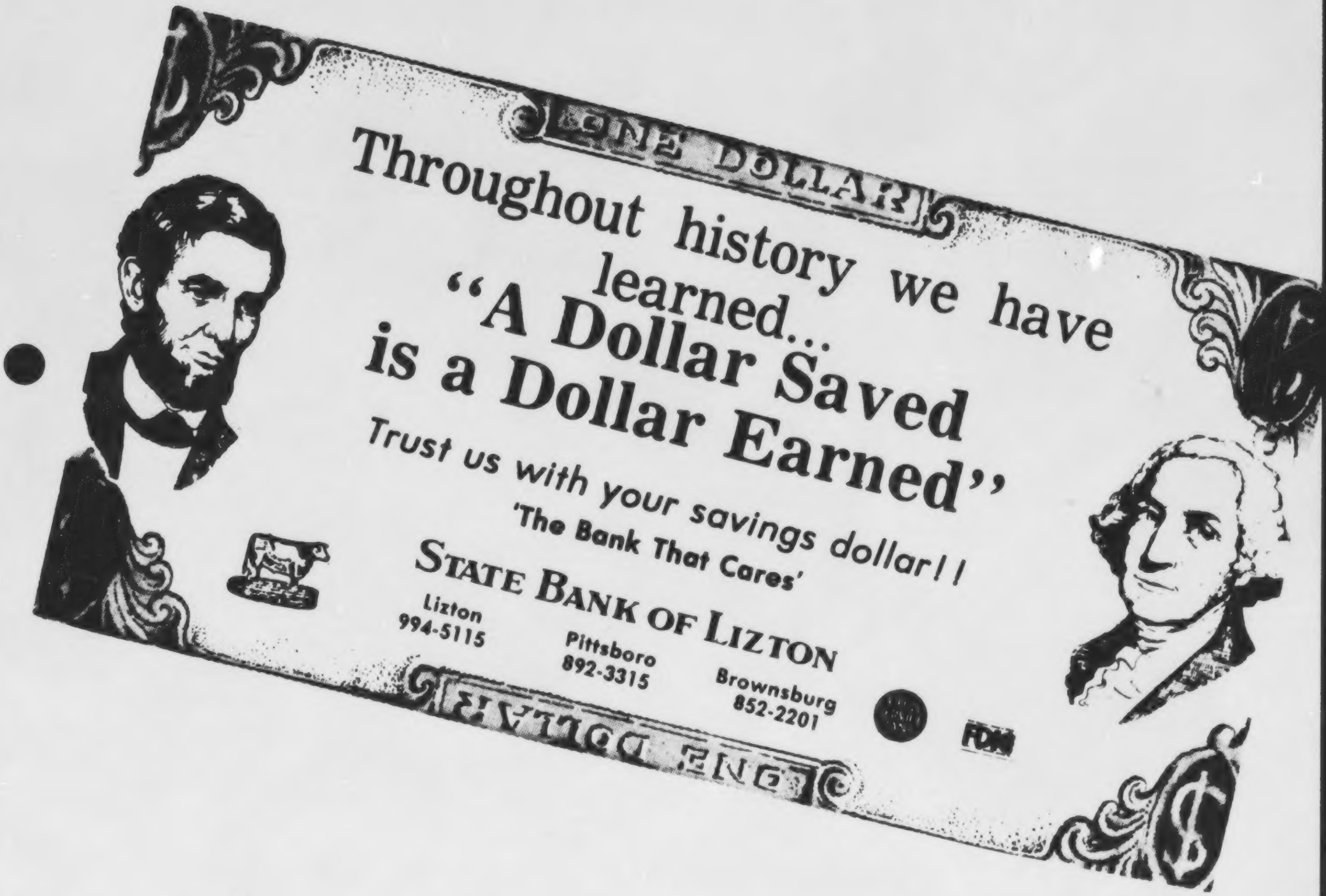
There is no Pre/Post Test. Student interest and need should be the determining factors for the student studying in this packet.

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary and spelling
  - Notes psychological impact of words
  - Distinguishes between facts and opinions
  - Detects and resists propaganda
- Speaking, Listening, Viewing
  - Seeks information
  - Interprets ideas
  - Organizes information
  - Evaluates the content
- Problem Solving
  - Defines problems
  - Obtains information
  - Evaluates information
  - Determines plan of action
- Interpersonal Relations
  - Interacts with others
  - Explains self
  - Pinpoints potential problems

To the student . . .

This SAT Packet is about ads and advertising methods. It has information about newspaper, magazine, radio, and TV ads. There are certain appeals or ways a seller tries to get our attention. This packet will help you to better understand the ad appeal and what it has to do with the product.



ONE DOLLAR

Throughout history we have learned...

"A Dollar Saved is a Dollar Earned"

Trust us with your savings dollar!!

'The Bank That Cares'

STATE BANK OF LIZTON

Lizton
994-5115

Pittsboro
892-3315

Brownsburg
852-2201

FDIC

ONE DOLLAR

ADVERTISING. Sellers of all kinds of things have been advertising for a very long time. Before the printing press was invented, the town crier did the advertising. He stood outside a shop and told people what was for sale. He might also have walked around town carrying a sign for a shop. Advertising has certainly changed since those days. Now we see ads on TV and hear them on the radio. We read them in newspapers, magazines, and articles that come in the mail. The purpose of an advertisement is to sell something! Ads can be useful when we want to compare prices. They can tell us where to go to buy certain products. But ads and advertising can also be misleading. If we know about the various forms of advertisements used, they become useful to us in our everyday living. Several of the methods of advertising will be discussed in this packet. Listed here are some of the ad schemes to be aware of:

- **Bait Advertising.** The seller advertises something that will get people to come into the store. Once the buyer is in the store the seller tries to sell a more expensive product.
- **Insurance Advertising.** You may receive a letter about insurance. It is hard to collect from an insurance company that insures by mail. This is especially true if it is out of your state. It is best to ignore insurance by mail. Deal with a good agent from a well-known insurance company in your area.
- **Correspondence Schools.** Another group that does lots of advertising is correspondence schools. These schools have ads on TV and in magazines. There are many good schools of this type. On the other hand, there are some that try to trick the student. At some schools you may start training through the mail. In order to finish you must do the advanced work at the school itself. This is certainly not a good offer if you live in Indiana and the school is in New York. Check a correspondence school carefully before you sign up. Know what you are agreeing to do.
- **Magazine Ads.** Ads found in many popular magazines include: cures for baldness, cigarette smoking, and obesity (being overweight). Sometimes such an ad contains a testimonial. The ad has the picture of a person who was helped by the product. It also has the person's own story of how helpful the product was to him/her. This story is called a testimonial. The chances are not good that the product will work for you.
- **Mail Schemes.** Advertising schemes or plots that come in the mail are common. You should be especially alert for bad deals about land and insurance sales.

  In these schemes you receive a letter about land for sale. The letter describes the land as a great buy or investment. However, unless you see the land yourself you can't be sure. Often such land is swamp land in Florida. It may be desert land in Arizona. The letter may tell you that water and electricity are available. What it doesn't mention is that the lot owner must pay to have these things brought in from a long distance. This would cost quite a lot of money.
- **Free Offers.** Dance studios, health clubs or spas, and photo studios may advertise a free offer. This brings customers to their place of business. Once there it is difficult not to give in to pressure and buy. The sales people are smooth talkers. They know most people will spend money under this kind of pressure. The end result is that the free offer costs money! The customer will pay for what he gets! Nothing is really free.

  Some land development companies advertise free lots. They try to get the customer to look at the lot. It may be a deal that seems too good to be true. There is always a catch. You get the lot free, but must pay closing costs. Closing costs might cost more than the land is worth.

Yes, I want Information on: ☐ Computer Programming
☐ Legal Secretary ☐ Executive Secretary
☐ Medical Assisting ☐ Accounting ☐ Business Administration
☐ Placement Assistance ☐ Financial Aid

A Junior College
of Business

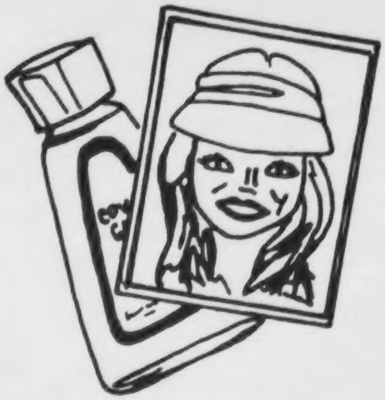
NAME ____________________ PHONE __________
ADDRESS ______________________________
CITY ________________ STATE ______ ZIP ________

- **Super Savings.** The ad for a close-out sale is often seen on TV or in the newspaper. The item for sale may be a "liquidation" offered at super savings. The ad may say the item was once $100, but now it is $25. The truth is that the seller only paid $15 for the item in the first place. It is always possible the advertisement might be an honest one. Being able to know the difference in ads is important.

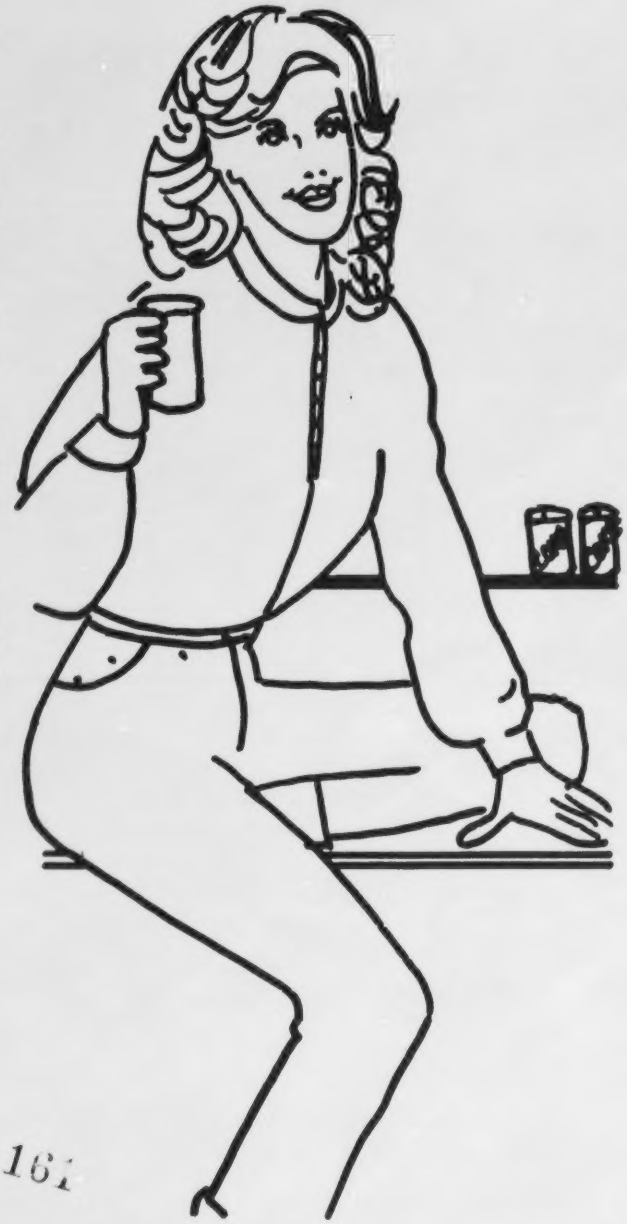
ILLEGAL SELLING METHODS. There are several selling methods that are against the law. The following list covers some of them. A seller cannot:

- lie about the end result of a product.
- say the product is a certain grade, style, or model if it is not.
- say something is new if it has been used.
- advertise a special price if supplies are low. If supplies are limited, it must be stated.
- say a price is a bargain price if it is not.
- advertise something as free unless it is really free. If the price of the item is so high it covers the free item, it is illegal.
- lie about what is for sale. For example, a store cannot advertise a walnut stained table as a walnut table. There is a big difference.

SELLING METHODS: We can learn to ignore the ad tricks. It is easier to look at the product when we understand advertising methods. Here are some selling methods often used.



- **Use of the famous person** — people who are famous in sports or movies often advertise a product. The product may not be any better than a cheaper brand. However, we buy it because someone famous has endorsed it or said they liked it.
- **Use of association** — an ad may link a product with a pleasant time or place or feeling. For example, a person may be drinking a coke on a beach or ski slope. The way the coke really tastes doesn't have anything to do with the vacation setting.



- **Use of case history** — an ad has a person or family talking about how long a product lasts. Perhaps a washing machine or refrigerator has lasted a family of 8 people for 15 years.
- **Demonstration** — this method is used on TV. The viewer sees how a product really works. For some reason, the thing that worked so well during the TV ad doesn't work quite that way at home!

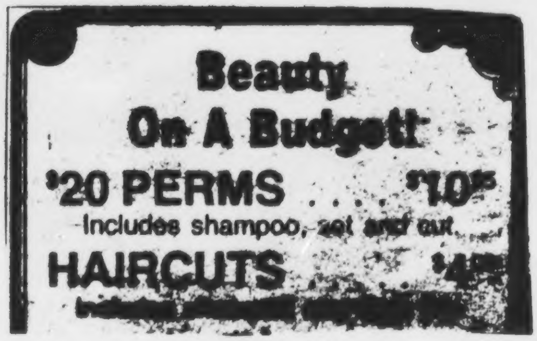
ACTIVITY 1

Describe an ad you have seen or heard that uses one or more of these methods. Write your description in the Student Response Booklet.

Methods: Famous person
Association
Case history
Demonstration

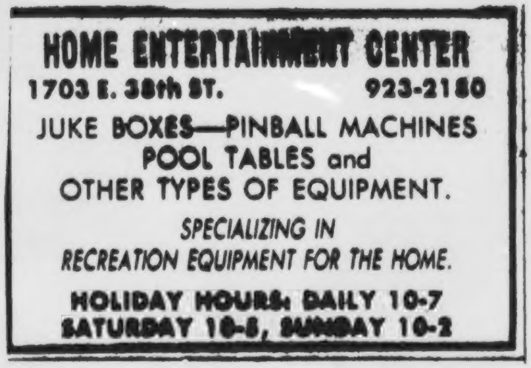
NEWSPAPER ADVERTISING METHODS. Let's look at some advertising methods used in the newspaper. Many of these methods are also used by TV and radio advertisers. They are all meant to get and hold attention.

An ad may appeal to feelings or emotions. It may be aimed at the wallet. It may just state facts. Look at these examples.



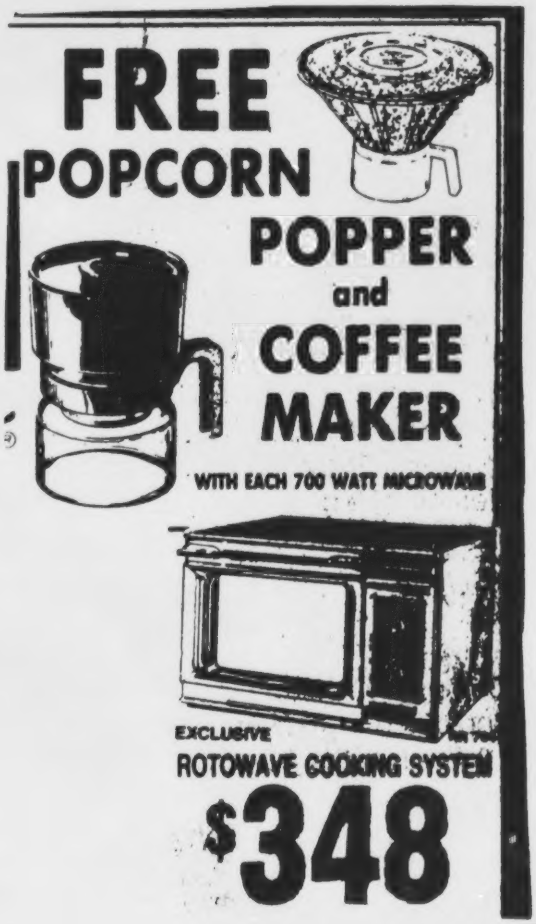
Beauty
On A Budget!
$20 PERMS $10
Includes shampoo, set and cut
HAIRCUTS $4
[illegible]

This ad appeals to the emotions and the wallet. It says that a woman can look pretty without spending money.



HOME ENTERTAINMENT CENTER
1703 E. 38th ST. 923-2180
JUKE BOXES—PINBALL MACHINES
POOL TABLES and
OTHER TYPES OF EQUIPMENT.
SPECIALIZING IN
RECREATION EQUIPMENT FOR THE HOME.
HOLIDAY HOURS: DAILY 10-7
SATURDAY 10-5, SUNDAY 10-2

This ad states facts. It tells what is for sale. It gives the address and phone number of the store and its holiday hours.



This ad is likely to get a person's attention. It offers a free popcorn popper and coffee maker. The catch is in the small print. You must buy a $348 microwave to get the free items.

Some ads state opinions, not facts. Here is an example.

INDIANA'S #1 PONTIAC DEALER
OFFERS YOU
THE BEST BUYS IN TOWN!

'72 OLDS "88" . . . $1247
4-Dr. H.T. Automatic, p. steering, brakes. Radio, vinyl roof, W.S.W. tires. Air conditioning and nice!

'74 BONNEVILLE . $1247
9-Pass. wagon. Automatic, p. steering, brakes. Radio W.S.W. tires, air conditioning and luggage rack!

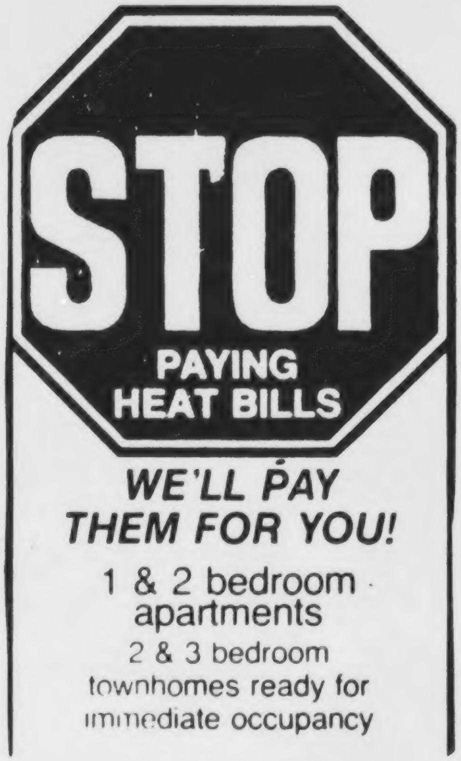
'79 CHEVETTE $3947
Hatchback Cpe. 4-Spd. trans., radio. W.S.W. tires, 6,000 one owner miles, with warranty and immaculate!

'77 HONDA $4247
Accord Cpe. Automatic, radio. 40,000 Miles, like new and remember the price of gas!

'78 FIREBIRD $4647
Espirit Cpe. Automatic, p. steering, brakes, AM/FM. Honeycomb wheels, raised white letter tires, and air conditioning!

'78 LeSABRE $4647
Custom 4-dr. Automatic, p. steering, brakes. AM/FM stereo, cruise, tilt, air conditioning

This dealer claims to be Indiana's #1 Pontiac dealer. What does that mean? Does it mean he has sold the most cars? Does it mean he has the most cars in stock? Does he really have the "best buys in town"?



STOP
PAYING
HEAT BILLS

WE'LL PAY
THEM FOR YOU!

1 & 2 bedroom
apartments
2 & 3 bedroom
townhomes ready for
immediate occupancy

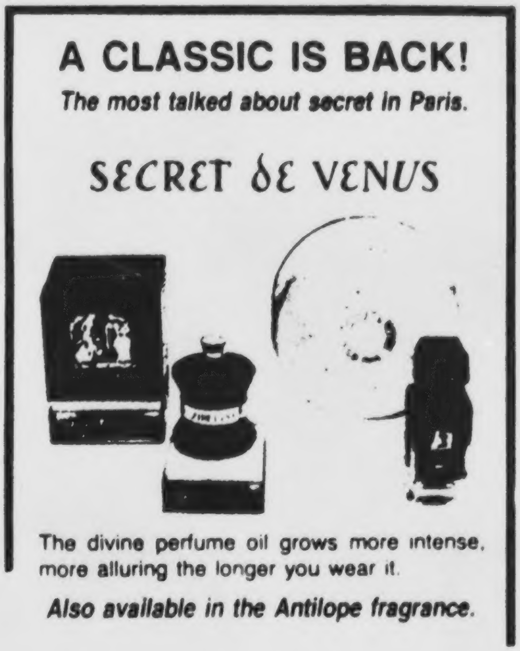
This ad uses a big picture to get our attention. The STOP SIGN draws the reader in for a closer look. The emotional and pocketbook appeal works because everyone would like to stop paying heat bills.

ACTIVITY 2

Look at the following ads. One or more advertising methods have been used. Decide which methods are used in each ad. Choose from this list. Write your answers in the Student Response Booklet.

AD METHODS:
- Emotional appeal
- Facts
- Opinions
- Pocketbook appeal
- Attention getter - free offer
- Interesting pictures

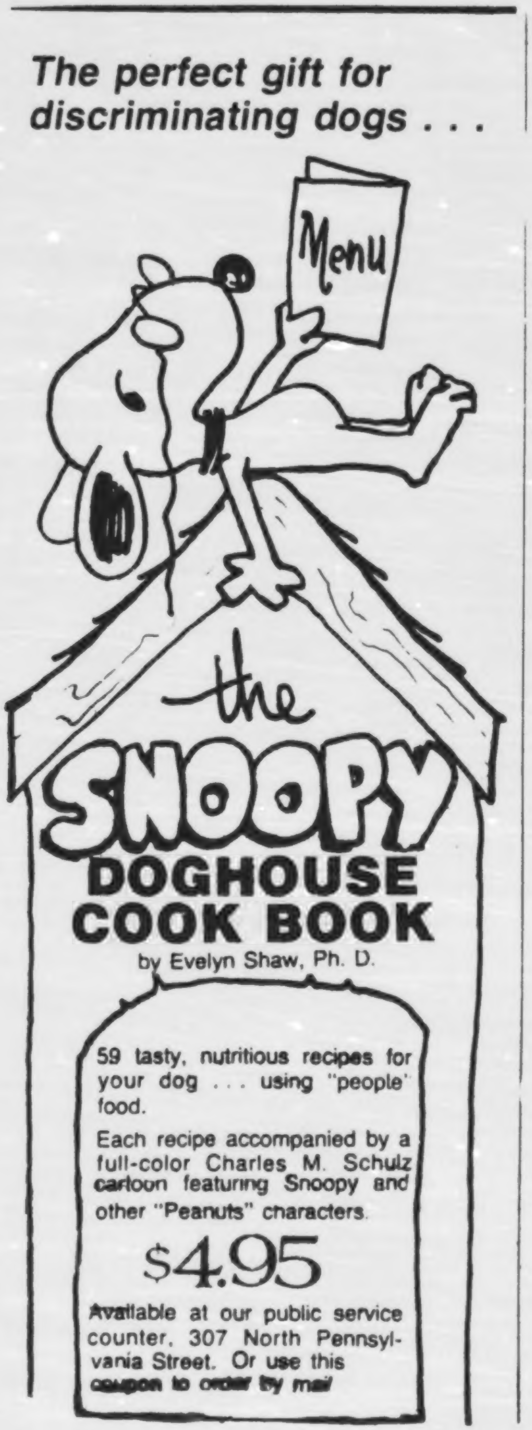
hoppi's
HAM HOUSE
Old Fashioned Baked Ham &
Roast Beef Sandwiches & Beer on Tap.
"The Very Best In Town"
AT WASHINGTON SQUARE in THE MALL
DOWN THE COOKIE FACTORY CONCOURSE



A CLASSIC IS BACK!
The most talked about secret in Paris.
SECRET DE VENUS

The divine perfume oil grows more intense, more alluring the longer you wear it.
Also available in the Antilope fragrance.

Why not stock up now -- at this year's low prices? But hurry, won't you? My 12 million customers will make short work of these Bargains and when they're gone there can be NO MORE this year!



The perfect gift for discriminating dogs . . .

Menu

the SNOOPY DOGHOUSE COOK BOOK

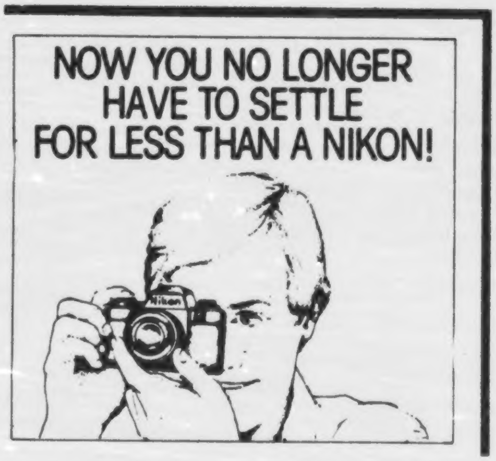
by Evelyn Shaw, Ph. D.

59 tasty, nutritious recipes for your dog . . . using "people" food.

Each recipe accompanied by a full-color Charles M. Schulz cartoon featuring Snoopy and other "Peanuts" characters.

$4.95

Available at our public service counter, 307 North Pennsylvania Street. Or use this coupon to order by mail



NOW YOU NO LONGER HAVE TO SETTLE FOR LESS THAN A NIKON!

RISK-FREE STEREO AT GREEN SHEET PRICES

7-Day money-back guarantee
Ask salesperson about details!
Ask for Graham's Green Sheet Price List
Of everyday low, low prices!

GRAHAM ELECTRONICS

133 South Pennsylvania St., Indianapolis
WASHINGTON SQUARE, INDIANAPOLIS
ALSO: [illegible], [illegible], Lafayette (Tippecanoe Mall), Ft. Wayne & [illegible]

ACTIVITY 3

1. Cut out some ads from the newspaper or magazine. Take them to class.
2. Watch TV for special ads. What products have the most reliable ads?

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS-10
ADVERTISING/SELLING

NAME ____

DATE ______________________

ACTIVITY 1

Describe an ad you have seen or heard that uses one or more of these methods: famous person, association, case history, demonstrations.

ACTIVITY 2

	Method or methods used
Ad #1	
Ad #2	
Ad #3	
Ad #4	
Ad #5	
Ad #6	

CE-11 RESTAURANTS/DINING OUT
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this Student Activity Task Packet, the adult learner will know how to order food and how to tip in a restaurant.

INTRODUCTION:
Dining out has become commonplace in our country. Interacting with restaurant personnel in ordering food and obtaining good service is a necessary everyday living skill.

This SAT Packet is designed to help the adult student understand more about how to order food and read menus while dining out. The student will have the opportunity to read menus and discuss the types of restaurants and food service establishments available. There will be opportunities for the student to select suitable eating places under given circumstances, to read about "tipping" for services provided by the food establishment, and to figure the cost of this additional expense.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, and buddy system. Group work and role playing are most valuable in teaching this unit. Interactions with other class members who are interested are of great benefit.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase I and Phase II.

MATHEMATICAL SKILLS:
The student should have a basic knowledge of addition and subtraction.

PRE/POST TEST:
The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or an oral assessment. There are ten questions on the test. The student should score between 90% and 100% in order to test out of or complete the packet.

ADDITIONAL MATERIALS NEEDED:
- Menus from various food establishments
- Yellow Pages - telephone book
- Entertainment section of the newspaper

SKILLS OBJECTIVES:
- Reading
  - Develops vocabulary
  - Distinguishes between fact and opinion
  - Notes details
- Speaking, Listening, Viewing
  - Describes personal view
  - Interprets ideas
  - Organizes information
- Problem Solving
  - Defines problem
  - Obtains information
  - Examines constraints
  - Plans alternatives
  - Determines plan of action
- Interpersonal Relations
  - Interacts
  - Explains needs and preferences
- Computation
  - Adds
  - Subtracts
  - Multiplies
  - Divides
  - Figures percent (tips)

CE-11: RESTAURANTS/DINING OUT
PRE/POST TEST

Circle T or F for each question.

T F 1. It is important to tip people in a cafeteria.
T F 2. The accepted tip is now 15%.
T F 3. Eating in a restaurant is the quickest place to eat.
T F 4. In most cafeterias you will have to carry your baby as well as your tray.
T F 5. If you are low on money, it is all right to skip the tip.
T F 6. Many restaurants give free refills on coffee and tea.
T F 7. Some restaurants have "all you can eat" specials.
T F 8. Some waitresses give special attention to small children.
T F 9. After eating in a restaurant, you should clear away the dishes.
T F 10. If you watch the newspaper, you will be able to find coupons and ads for restaurant specials.

CE-11: RESTAURANTS/DINING OUT
PRE/POST TEST ANSWER SHEET

Circle T or F for each question.

T [✓ F] 1. It is important to tip people in a cafeteria.
[✓ T] F 2. The accepted tip is now 15%.
T [✓ F] 3. Eating in a restaurant is the quickest place to eat.
T [✓ F] 4. In most cafeterias you will have to carry your baby as well as your tray.
T [✓ F] 5. If you are low on money, it is all right to skip the tip.
[✓ T] F 6. Many restaurants give free refills on coffee and tea.
[✓ T] F 7. Some restaurants have "all you can eat" specials.
[✓ T] F 8. Some waitresses give special attention to small children.
T [✓ F] 9. After eating in a restaurant, you should clear away the dishes.
[✓ T] F 10. If you watch the newspaper, you will be able to find coupons and ads for restaurant specials.

To the student . . .

In this SAT Packet, you will read about how to order food and how to tip in a restaurant. You will have opportunities to discuss the price of meals with other members of the class. You will study the types of places that serve the best food. You will study the types of places that serve the best food. You will also learn to:

- read menus
- order from a menu
- figure the cost of the meal
- figure the tip
- make reservations for dining out

DIET
TRUE
FALSE

DINING OUT

Almost everyone has a favorite place to go to eat. Most of the time home cooking tastes better and costs less. But eating at a restaurant can be fun and relaxing. No leftovers. No dishes to wash. No mess to clean up. When you go out to eat, someone else does this for you. It can be a nice experience.

Food gives us a feeling of security. Sometimes when we are bothered by a problem, we want to eat. Food can make us feel content. Even when we are not hungry, we may want to eat. Some foods make us feel better than others. Often, these are the foods that remind us of home when we ate together as a family.

In some cultures, or countries, offering food is a way of showing friendship. Birthday cakes or anniversary cakes that we give to others is our way of showing that we care. Very often when we want to do something for someone else, we take food to them.

The kinds of food that we like are usually learned food habits. This means we have learned most of our food habits from our family. It is probably true that our family is the main influence on our food likes and dislikes.

Most people do not like to eat alone. This, again, is probably a habit we learned from childhood. Maybe it is one of the reasons more and more adults like to eat away from home. If there is no one there to eat with them, they go to a restaurant.

What we eat, when we eat, and where we eat, dining out is important. How do we decide where to eat?

There are at least four types of places from which to choose. We must decide:

a) what kind of food we want
b) how much time we have to eat
c) how much money we want to spend

To help us decide where to eat we will look at the four basic types of places.

A. FAST-FOOD RESTAURANTS

Most people have eaten in fast-food restaurants. They are also called by other names such as:

short order kitchen
grills
diners
lunch counters
sandwich bars

The order is usually taken at a window or counter. The window may be on the inside of a building or it may be a drive-up window. It is possible to order and pick up your meal without getting out of your car.

Eating at a fast-food restaurant has some advantages:

The food is prepared quickly.
You pay when the food is served.
Usually a tip is not necessary.
The cost is less than a complete dinner.

B. CAFETERIAS

Many people know about cafeterias. The food is prepared and then kept warm on the serving table. There are many kinds of foods. It is a fairly simple matter to choose a meal that is well-balanced. You can see what you are ordering. The patron or customer goes through a serving line. The waitress behind the serving line places your food on the plate. You can choose the food in the amount you want. You then take your tray to a main dining room to eat.

Some cafeterias have high chairs on wheels. You can take your child through the serving line with you by placing her/him in the high chair. In some cafeterias, waitresses will assist in carrying the trays to the dining room. They are especially helpful if you have small children. The elderly or handicapped or disabled will also be helped.

Often free refills on coffee and tea are provided. Some cafeterias also run "all you can eat" specials on certain days of the week. Since you pay for your meal at the end of the serving line, you do not need to tip. This often means your food will cost you less than a regular restaurant.

C. FULL SERVICE RESTAURANTS

Some people would rather eat in a restaurant than any other public eating place. Sometimes you must make a reservation. This means you must call ahead and reserve a table for you or your group. Then when you arrive, a host or hostess will greet you. Your party will then be taken to a table set aside for you. There are many restaurants where you can just go in and be seated. It is wise to know the rules of the restaurant ahead of time.

When you are seated, a waitress will bring a menu. You select the food choices. The food is brought to your table and served.

The meal will usually cost more for this kind of service. An additional cost is tipping. This is given to the waitress for providing good service. Eating in a restaurant usually takes longer. Planning enough time is important. This will make the meal enjoyable and worth the extra expense. Once you understand the services provided while eating at a restaurant, this may be your choice of public eating places.

D. BUFFET OR SMORGASBORD

A buffet dinner offers you a chance to try many different foods. It is a meal set out on a table for ready service. This kind of serving is informal. It is like a cafeteria, but you pay only one price. Then you eat as much or as little as you wish. The price remains the same. You can also return to the serving table as many times as you want to. Often there are three serving tables. The first one has the cold foods and salad items. The second table has the warm vegetables and meats. Many provide desserts and have a special table for them. Eating smorgasbord style is a good time to try many different kinds of foods. Light eaters may not get their money's worth, but the experience is most worthwhile.

Smorgasbord

All you can eat

$5.00

Roast turkey	BBQ Chicken
Cod Fish	Meat Loaf
Fried Chicken	Roast Beef

9 Hot Vegetables --
Salad and Dessert Bar

Daily 4 p.m. to 9 p.m.

Sunday 11 a.m. to 8 p.m.

Before you go to a restaurant that serves buffet or smorgasbord, call and ask about the prices. Ask about specials for the children. You will then know how much it will cost. If you live near a large city, you will find that many restaurants serve food in this manner. You will have a wide range of prices and choices.

You have just read about the four basic types of places to go to eat. Some combine things from two or more of these types. There are no set rules for places to eat!

ETHNIC FOODS. There are many different kinds of food to be found. Some restaurants serve "ethnic" food. You have probably eaten both Italian and Chinese dinners. These ethnic restaurants usually offer some variety from the American "meat and potatoes" menu. Here is a list of some of the different kinds of ethnic restaurants:

Mexican
Italian
Russian
Chinese
Japanese
French
German
Scandinavian
English
Indian

Chinese
fried rice

There are other places which specialize in such foods as:

Fish
Seafood
Chicken
Salads
Desserts
Egg Dishes

Eating out can be a lot of fun! It is a good time to try new foods. Many families go out to eat regularly. Others eat out only on birthdays, anniversaries and reunions. Whatever the occasion, it can be a time of relaxation and enjoyment.

ACTIVITY 1

You have read about different types of places and different kinds of food. Think about the places in which you have eaten. In your Student Response Booklet list the basic types of places in which you have eaten. Tell which you liked best and why.

ED'S
OYSTER
BAR

ACTIVITY 2

Ann's husband is sometimes out of town. Ann takes their three children out to eat when he is away. She has a 7 year-old, a 4 year-old and a baby. Eating out is a special problem for Ann, especially with three children and little money. Which of the four basic eating places would be best for Ann to take her children. Explain your answer in the Student Response Booklet.

ACTIVITY 3

Dan is a salesman. He has 50 minutes between appointments to eat lunch. Decide the best place for Dan to have lunch. Write your answer in your Student Response Booklet.

ACTIVITY 4

Jim has been dating Ellen for about six weeks. Today is her birthday. He is taking her out to dinner this evening. He wants Ellen to feel special and have a nice time. Where would Jim take Ellen to eat? Explain your choice in your Student Response Booklet.

ACTIVITY 5

Mary and Gina have been friends since high school. They get together about once a month. Tonight they ar going out to eat before they go to a movie. Mary skipped lunch and is very hungry. Gina is on a diet and only wants a vegetable plate for dinner. Where would they go to eat? Explain your choice in your Student Response Booklet.

MENUS

Some restaurants will give you menus. Try to collect some of these and bring them to class. Look at them. Find out what different kinds of food you can order.

You may notice several parts to the menus. Some menus begin with the "Appetizers." Appetizers are small servings of food to nibble on while you are waiting for your meal.

The next part may be the "Ala Carte" section, which means you may order parts of the meal separately.

The main section may be called "Complete Dinners." Dinner selections usually include soup, salad, vegetables, and rolls. You get these items in addition to your dinner. When you order "Ala Carte" you are only ordering one item.

The last two sections are "Beverages" and "Desserts." These usually cost extra. The appetizers and the "Ala Carte" items also cost extra. You should have a pretty good idea of what you are spending when you order.

If you could not find any menus to bring to class, you may use the menu which follows.

Lupi's

Souvenir Menu

Appetizers

GUACAMOLE 2.00

A rich blend of fresh avocado, [illegible] and tomato prepared fresh to order.

NACHOS 2.00

Crisp fried tortillas topped with frijoles, peppers, and blend of natural cheeses.

CHILI CON QUESO 1.50

Lupi's secret recipe melted cheese dip with tomato and a hint of spicy green chiles.

TAQUITOS 2.00

Corn tortillas stuffed with savory sliced beef, deep fried and served with guacamole sauce. Order of three.

Soups

GAZPACHO . . . . Cup .75 Bowl 1.00

[illegible] chilled tomato soup prepared with garden fresh vegetables.

BLACK BEAN SOUP . . . . Cup .75 Bowl 1.00

Simmered for hours in our kitchen, served with shredded jack cheese and minced green onion.

Salads

CHEF'S SALAD 3.00

A delightful assortment of garden greens accented with liberal portions of boiled ham, smoked turkey, sliced beef, blended natural cheeses and our House dressing*.

AVOCADO TOMATO SALAD 2.00

Sliced avocado and tomato wedges served on lettuce bed with House dressing*.

*Other dressings available upon request - please ask your server.

Omelettes

All omelettes are prepared with three fresh eggs, served with choice of cup of soup or small dinner salad, refried beans and Mexican fried rice.

HAM & BLENDED CHEESE OMELETTE 3.95

MUSHROOM & CHEESE OMELETTE 3.95

OMELETTE RANCHERO 4.25

Diced ham, Salsa Ranchero, blended cheese, topped with chile con queso.

Lupi's

Souvenir Menu

Steaks & Shrimp

At Lupi's we serve only prime aged steaks,
hand cut and trimmed daily in our own kitchen.

Dinners include choice of soup or salad
baked or steak fried potato and hot rolls.

12 oz. PRIME NEW YORK STRIP Broiled to perfection	8.50
8 oz. PRIME PETITE NEW YORK STRIP	6.95
HALF POUND CHOPPED STEAK	4.75
SUCCULENT BAY SHRIMP Deep fried in our own special batter. A generous serving.	6.95
STEAK & SHRIMP 8 oz. Prime N.Y. Strip and Shrimp	8.95

SAUTEED MUSHROOMS 1.50
Fresh sliced mushrooms carefully
sauteed in pure creamery butter.

Ala Carte

TACO 2 for	1.75	TAMALE	1.00
SOFT SHELL TACO 2 for	1.75	CHILE RELLENO	2.75
TOSTADO	2.25	REFRIED BEANS	.75
BEEF ENCHILADA	1.25	MEXICAN FRIED RICE	.75
CHEESE ENCHILADA	1.25	DINNER SALAD	.75
OVERSTUFFED COMBINATION BURRITO	2.25		

Desserts

PIÑA COLADA CAKE
1.25
Buttery Pound Cake smothered with Lupi's
own creamy piña colada whipped topping.

CHEESE CAKE
1.25
Cool, Rich and Delicious!

SHERBET OF THE WEEK
.60
Ask your server about this week's flavor.

Prices subject to change.

Lupi's
Souvenir Menu

Combinacions Especial

All dinners are served with your choice of cup of soup or small dinner salad
with House dressing, refried beans and Mexican fried rice

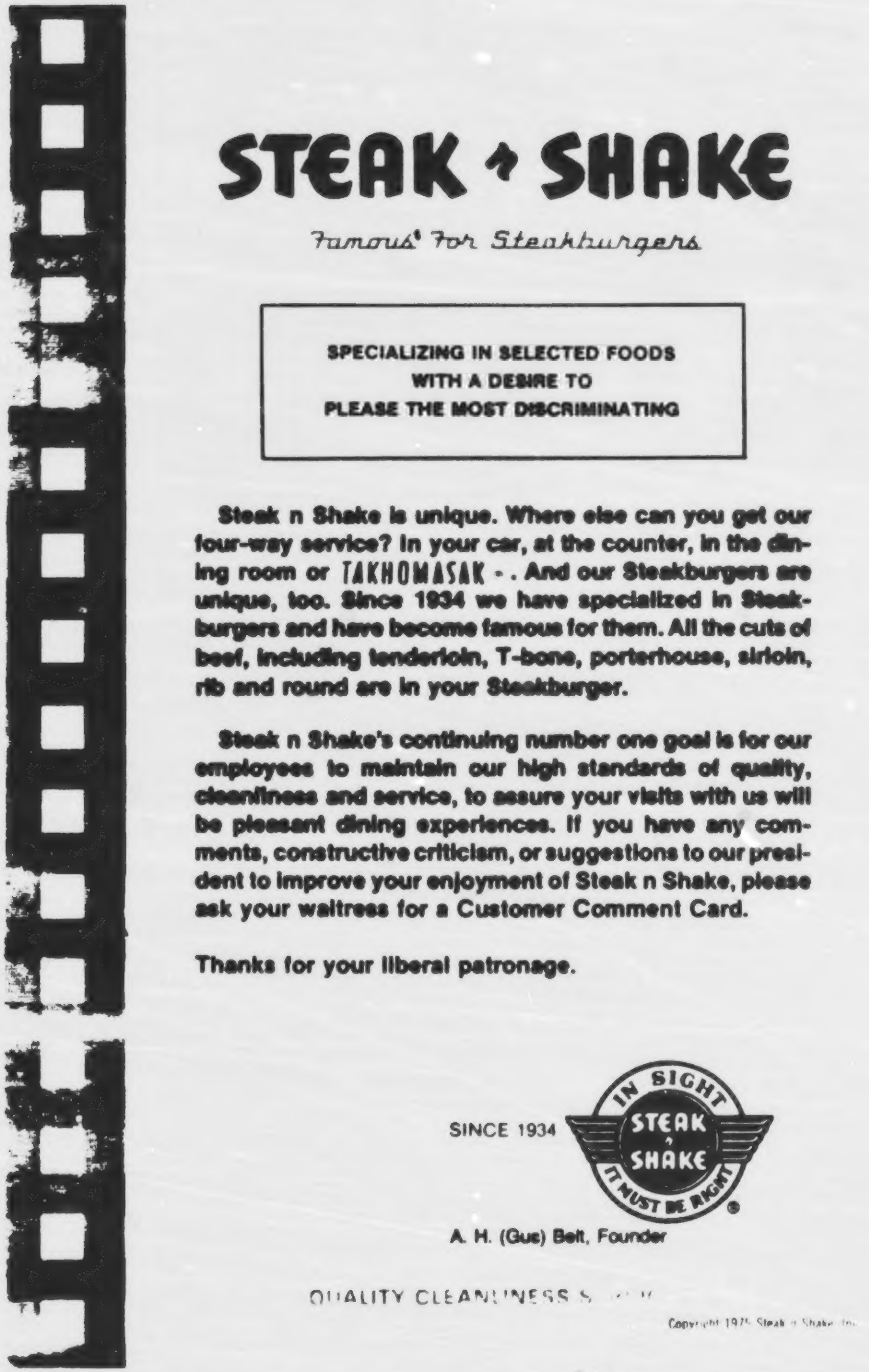
1. ACAPULCO	Beef or cheese enchilada, pork tamale and a crisp taco	4.95
2. MONTERREY	Our overstuffed combination burrito, crisp taco and pork tamale	5.95
3. SONORA	Beef and bean tostado, soft shell taco and pork tamale	5.95
4. VERA CRUZ	Our delicious meat stuffed chile relleno and crisp taco	5.95
5. THE ALAMO	For the most macho of appetites. Beef enchilada, cheese enchilada, overstuffed combination burrito, pork tamale and crisp beef taco. A dinner you will remember!	7.95

Platters

All Platter Dinners are served with your choice of cup of soup or small dinner salad
refried beans and Mexican fried rice.

TACOS (order of 3)	Crisp corn tortillas filled with shredded beef and chopped lettuce, served with blended grated cheese and diced tomatoes	4.25
SOFT SHELL TACOS (order of 3)	As above, but served in soft corn tortillas.	4.25
TOSTADO	A flat crisp flour tortilla smothered with shredded beef, refried beans, chopped lettuce, diced onion, and dairy fresh sour cream.	3.95
ENCHILADAS (order of 2)	Soft corn tortillas filled with beef or jack cheese, dipped in sauce then garnished with grated cheese and baked.	4.50
ENCHILADAS VERDE (order of 2)	As above but served in our special spicy green enchilada sauce.	4.50
TAMALES (order of 3)	Stewed seasoned pork rolled in a special rich corn dough, wrapped in corn husks and steamed.	4.75
OVERSTUFFED COMBINATION BURRITO	A soft flour tortilla grilled in butter and folded over shredded beef, refried beans and grated cheese. Served with chopped lettuce, sour cream and our special sauce.	4.25
CHILE RELLENO	A roasted and peeled Pablano pepper stuffed with seasoned pork, then hand dipped in a special egg batter and deep fried. Served with a tangy ranchera sauce.	4.75

COMBINATIONS. Some restaurants combine the advantage of being waited on with fast service. The following is a menu from this type of eating place.



STEAK n SHAKE

Famous' For Steakburgers

SPECIALIZING IN SELECTED FOODS
WITH A DESIRE TO
PLEASE THE MOST DISCRIMINATING

Steak n Shake is unique. Where else can you get our four-way service? In your car, at the counter, in the dining room or TAKHOMASAK - . And our Steakburgers are unique, too. Since 1934 we have specialized in Steakburgers and have become famous for them. All the cuts of beef, including tenderloin, T-bone, porterhouse, sirloin, rib and round are in your Steakburger.

Steak n Shake's continuing number one goal is for our employees to maintain our high standards of quality, cleanliness and service, to assure your visits with us will be pleasant dining experiences. If you have any comments, constructive criticism, or suggestions to our president to improve your enjoyment of Steak n Shake, please ask your waitress for a Customer Comment Card.

Thanks for your liberal patronage.

SINCE 1934

IN SIGHT
STEAK n SHAKE
IT MUST BE RIGHT ®

A. H. (Gus) Belt, Founder

QUALITY CLEANLINESS S [illegible]

Copyright 1975 Steak n Shake Inc.

FAMOUS FOR
STEAK
SHAKE
STEAKBURGERS®

DELUXE SANDWICHES

The STEAK·SHAKE® Way

LOW CAL PLATTER Two patties of government inspected ground beef with sliced tomato, lettuce and cottage cheese	$2.21
TRIPLE STEAKBURGER — For the heartiest appetites! Three patties of government inspected ground beef served on our own toasted bun with relish or onion and pickle	$2.15
WITH CHEESE	$2.47
SUPERSTEAKBURGER — Our Favorite Two patties of government inspected ground beef served on our own toasted bun with relish or onion and pickle	$1.49
WITH CHEESE	$1.65
STEAKBURGER — SINCE 1934 Government inspected ground beef served on our own delicious toasted bun with relish or onion and pickle	85¢
WITH CHEESE	$1.01
LETTUCE AND TOMATO ON ANY SANDWICH	Add 16¢
BAKED SUGAR CURED HAM (Hot or Cold) A generous portion of our famous oven baked ham served on a toasted bun	$1.61
WITH CHEESE	$1.77
TOASTED CHEESE Two slices of American Cheese on toasted bread grilled in butter	70¢
HAM AND EGG Large farm fresh egg blended with finely chopped ham on a toasted bun	$1.06
EGG SANDWICH Large farm fresh egg on a toasted bun	54¢

Sandwich Dressings: Onion, Pickle, Relish, Mustard, Catsup, 1000 Island, Mayonnaise

COMBINATION SPECIALS

SUPERSTEAKBURGER PLATTER	$2.59
WITH CHEESE	$2.75
STEAKBURGER PLATTER	$1.95
WITH CHEESE	$2.11
BAKED HAM SANDWICH PLATTER	$2.71
WITH CHEESE	$2.87

All of the above are served with our special cut, golden brown French Fries and your choice of Lettuce and Tomato Salad or Baked Beans.

OUR CHILI SPECIALTIES

CHILI — Our Own Genuine You will like it	$1.14
CHILI-MAC Liberal order of Italian Spaghetti and Chili Meat	$1.34
CHILI-THREE WAYS Italian Spaghetti, Chili Beans and Chili Meat	$1.60
extra meat available on the above items	57¢

ASK ABOUT OUR GIFT CERTIFICATES

FAMOUS FOR
STEAK n SHAKE
STEAKBURGERS®

SPECIALTIES

FRENCH FRIES Special cut Idaho Potatoes Golden brown sizzling hot, a liberal order	55¢
BAKED BEANS Our Own Special Sauce Individual Pot	65¢
COTTAGE CHEESE Served with sliced tomatoes and lettuce	65¢
LETTUCE AND TOMATO SALAD Choice of dressing	65¢
CHEF'S SALAD Julienne of ham, chicken and cheese garnished with tomato wedges and egg slices. Onion available upon request Choice of dressings	$1 99

Salad Dressings: French, Creamy Italian, 1000 Island, Bleu Cheese, Mayonnaise

DESSERTS and DRINKS

STRAWBERRY SUNDAE Delicious. Topped with real Strawberries, whipped topping and a maraschino cherry	83¢
HOT FUDGE NUT SUNDAE With plenty of rich chocolate fudge, nuts, whipped topping and a maraschino cherry	83¢
BROWNIE FUDGE SUNDAE Our Brownie topped with ice cream, rich chocolate fudge, whipped topping and a maraschino cherry	83¢
HOT PIE Dutch Apple, Dutch Cherry and Southern Pecan	69¢
ALA MODE	85¢
CHEESE-CAKE A Favorite. Our Own Creamy, Delicious	75¢
CHEESE-CAKE WITH STRAWBERRY TOPPING Even Better	86¢
OUR FAMOUS VANILLA ICE CREAM	43¢
BROWNIE Our own butter-rich walnut fudge brownie	39¢
APPLE DANISH The old fashioned kind, served warm with butter	49¢

TRU-FLAVOR MILK SHAKES Made the Old fashioned Way Chocolate, Vanilla and Strawberry	Reg. 83¢
FREEZES Orange or Lemon. A Year Round Flavor Treat	69¢ and 83¢
FLOATS Dr. Pepper, Coca Cola, Root Beer, Orange or Lemon	65¢

FRUIT DRINKS		**COFFEE**	
Orange or Lemon	39¢ and 49¢	A Steak n Shake Specialty	35¢
Coca-Cola	39¢ and 49¢	**HOT TEA** Individual Pot	35¢
●	39¢ and 49¢	**ICED TEA**	39¢
ROOT BEER	39¢ and 49¢	**MILK**	45¢ and 60¢
SUGAR FREE 7-UP	39¢ and 49¢	**HOT CHOCOLATE**	35¢

CHILDREN'S MENU AVAILABLE

TIPPING. A tip is the amount you give a waiter/waitress for good service. Restaurants often pay their waiters/waitresses a small hourly wage. Their income depends mostly on tips. A good waiter/waitress will try to give good friendly service. To leave a tip shows appreciation for this service.

ACTIVITY 6

Write a short paragraph in your Student Response Booklet telling how you feel about tipping.

HOW TO FIGURE A TIP. The current rate of tipping is 15%. If the service has been very good, you might want to tip more. If the service has been very bad, you might want to tip less. Suppose you took your father out to dinner. The bill came to $13.40. Here is the arithmetic way to figure the 15% tip.

$$\begin{array}{r} \$13.40 \\ \times\ \ .15 \\ \hline 6700 \\ 1340 \\ \hline \$2.0100 \end{array}$$

The tip is $2.00. There is a short cut to help you figure the tip. Let's use the amount of $13.40.

First, round this amount to the nearest dollar. $13.40 rounded off is $13.00.
Second, move the decimal one place to the left. $13.00 - move decimal one place to left = $1.30
This is the same as multiplying by .10 or 10%
Third, take half of $1.30.
$1.30 — 2 = .65
Fourth, add together these two amounts.
$1.30 + .65 = $1.95

By adding 10% of $13.00 to 5% of $13.00 you get 15% of $13.00, or $1.95. You may want to round to the nearest dollar, $2.00. You would leave a $2.00 tip for a $13.40 meal.

Here are the four basic steps to figure a 15% tip.

1. Round the amount to the nearest dollar.
2. Move the decimal one place to the left.
3. Take half this amount.
4. Add together steps 2 and 3.

ACTIVITY 7

You went to a restaurant for lunch. You ordered:

Soup	$ .75
Chicken Salad	2.25
Pie	1.00
Coffee	.40

In your Student Response Booklet list the total amount of your bill plus the tip. Check your work with the Answer Key.

ACTIVITY 8

See if you can work these problems. Figure a 15% tip for each amount.

1. $10.21
2. $ 5.97
3. $ 8.15

Add the tip to the amount of the bill. Write the total amount in your Student Response Booklet. Check your work with the Answer Key.

FINDING INFORMATION. There are several ways to learn about places to eat. The best way is by word of mouth. When people enjoy a certain place, they want to tell their friends about it. If the food or service is poor, they will warn their friends against going there.

Another source of information is the Yellow Pages. Look under the section "Restaurants." The Yellow Pages list each place twice. First, you will find a complete list of the restaurants in your city listed in alphabetical order. The second list is grouped by location. The locations have been divided into north, east, south, west. These sections may also be broken down into northeast and northwest, southeast and southwest. Suburbs and towns within fifty miles can be included.

The Yellow Pages may tell what kinds of food are served and what hours the restaurant is open. They may give information such as "complete carry out service" and "catering." The ads can also say which credit cards are accepted.

ACTIVITY 9

Find the names of two restaurants in the Yellow Pages. Answer these questions. Write the answers in your Student Response Booklet.

1. What are the names of the restaurants?
2. Where are they located?
3. Do you need a reservation?
4. What is the phone number of each restaurant?

A third source of information is the local newspaper. Many restaurants advertise in the newspaper every week. Some places advertise special items such as Sunday brunch or Sunday buffet. Other places advertise "all you can eat" specials.

ACTIVITY 10

The advertisements are usually found in the entertainment section. Look at these ads. Decide which restaurant you might like to visit. Explain why. Write your answer in the Student Response Booklet.

HOWARD JOHNSON'S

$2.95 SPECIALS

March is a Special time at Howard Johnson's.

Chicken and Biscuits
White Meat Chicken and Vegetables in Fricassee Sauce With Baking Powder Biscuits
$2.95

Fried Fillet of Flounder
French Fried Potatoes, Cole Slaw, Tartare Sauce, Roll and Butter
$2.95

GRITZBE'S

WEEK NIGHT SPECIALS:

MONDAY: **BARBECUE SPARE RIBS** All-You-Can-Eat, while they last!	4.95
TUESDAY & SUNDAY: **ROAST PRIME RIB** Cut to your preference.	5.95
WEDNESDAY: **CRAB LEGS** Full Pound!	$6.95
THURSDAY: **LOBSTER TAIL DINNER** Served with drawn butter, lemon wedges.	7.45

KEYSTONE at the CROSSING
86th & Keystone North Side of Bazaar
844-0088

ACTIVITY 11

For this activity you will read some menus. You can use the menus in the first part of this packet. In your Student Response Booklet, write the answers to the following questions:

1. Choose a menu. List the items you would like to order.
2. Figure your bill. Write down the prices from the menu. Add them together.
3. Suppose the service was very good. You decide to leave a 15% tip. Figure the tip. How much would it be?

CE-11: ANSWER KEY

The answers will vary with each activity with the exception of Activity 7 and 8.

ACTIVITY 7

Soup	$ .75
Chicken Salad	2.25
Pie	1.00
Coffee	.40
	$4.40
15%	$ .66
Total amount of bill	$5.06

ACTIVITY 8

	Tip	Amount of bill	Total Amt.
1.	$1.53	$10.21	$11.74
2.	$ .89	$ 5.97	$ 6.86
3.	$1.22	$ 8.15	$ 9.37

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 11
RESTAURANTS/DINING OUT

NAME ____

DATE ______________________

ACTIVITY 1

List the different types of places in which you have eaten.

ACTIVITY 2

ACTIVITY 3

ACTIVITY 4

ACTIVITY 5

ACTIVITY 6

How do you feel about tipping?

ACTIVITY 7

Soup	$ .75
Chicken Salad	2.25
Pie	1.00
Coffee	.40
Total for lunch	

Figure the tip: 15%

1. Round the amount to the nearest dollar ______________
2. Move the decimal one place to the left ______________
3. Take half this amount ______________
4. Add together the amount from steps 2 and 3 ______________

The amount of the tip is ______________

ACTIVITY 8

15% of \$10.21 = ______________________________

15% of \$ 5.97 = ______________________________

15% of \$ 8.15 = ______________________________

ACTIVITY 9

1) a. ______________________________
   b. ______________________________
2) a. ______________________________
   b. ______________________________
3) a. ____________________
   b. ____________________
4) a. ____________________
   b. ____________________

ACTIVITY 10

Decide which restaurant you might like to visit. Explain why.

____

____

____

____

ACTIVITY 11

1) List the items you would like to order from the menu:

   ____

   ____

   ____

2) Figure your bill. Write down the prices from the menu. Add them together.

3) The service was very good. Figure a 15% tip on the total amount of the items you ordered.

CE-12: HOME FURNISHINGS
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this Student Activity/Task Packet the adult learner will be aware of different stores where home furnishings can be purchased. The learner will be able to determine the best buys for essential and luxury items based on individual needs and resources.

INTRODUCTION:
This packet contains information about how to choose furniture and floor coverings. The activities are designed to fit the individual needs of the student. It will be of most benefit to those students who are currently interested in purchasing home furnishings.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system and group work.

The following group activities are suggested.

1) Invite a resource person to speak on the criteria for determining home furnishing needs and making wise selections. Persons to contact include a home economist from a local high school and the county extension agent.
2) Conduct a role play session in which students interact with store personnel. The student should explain the type of product desired and request information on it.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:
The student should have a basic knowledge of multiplication and division.

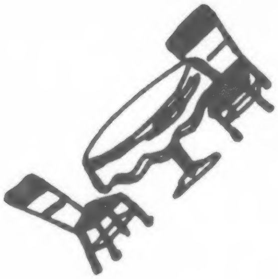
PRE/POST TEST:
There is no Pre/Post Test. Student interest should determine which students use this packet.

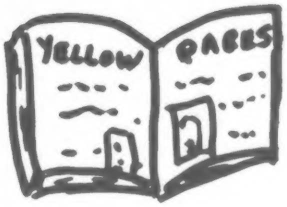
ADDITIONAL MATERIALS NEEDED:
Sears or Penney's catalog
Recent newspaper
Yellow Pages of telephone book

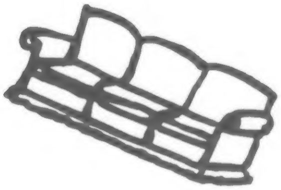
SKILLS OBJECTIVES:
- Reading
  - Develops vocabulary
  - Notes details
  - Recognizes symbols and trademarks
  - Derives personal relevance
  - Judges reliability of information
- Writing
  - Makes lists
- Speaking, Listening, Viewing
  - Describes personal views
  - Reports findings
  - Organizes information
- Problem Solving
  - Defines needs
  - Obtains information
  - Examines alternatives
  - Develops plan of action
- Interpersonal Relations
  - Explains needs
  - Understands needs of others
- Computation
  - Adds decimals
  - Subtracts decimals

To the student . . .

This SAT Packet contains information about shopping for home furnishings. You will read about how to select quality furniture for your home. You will be asked to use the newspaper and Yellow Pages to locate local stores where you might shop. You will also learn how to compare cost of items at various stores and find which are the best buys.

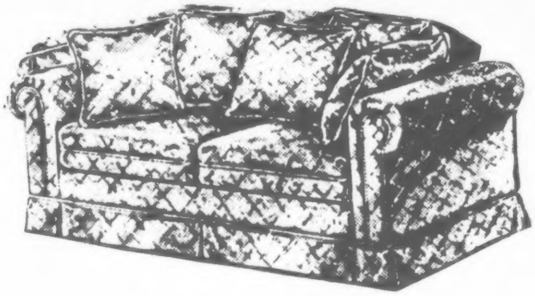






BUYING FURNITURE: Most of us cannot afford to buy several rooms of furniture at one time. Instead we buy room by room or piece by piece. Used furniture can be a bargain. A good, solid, well made piece can be refinished to look very nice.

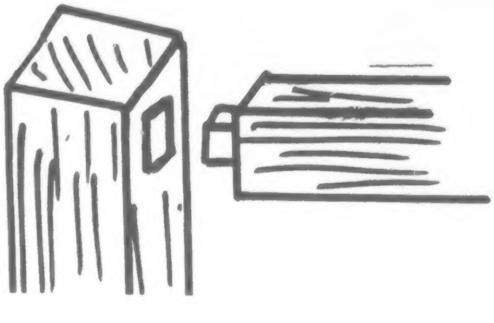
There are two general groupings of furniture. These are case goods and upholstered items. Case goods are things made of all wood such as dressers, desks and bookcases. Upholstered items are those covered with material, like sofas and chairs.



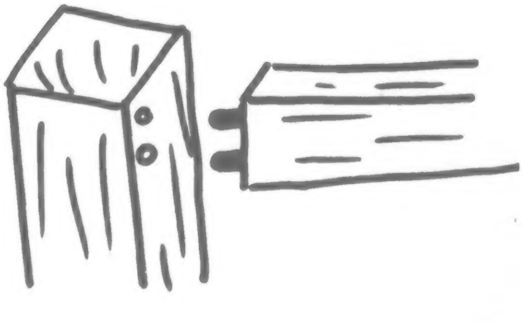
Well made furniture is a good investment. Cheaply made furniture does not last. However, if you move a lot or have small children, inexpensive furniture may be the best buy for you.

PRICE: The way a piece of furniture is constructed or put together should determine the cost. Here are the things to look for in well constructed wood case furniture:

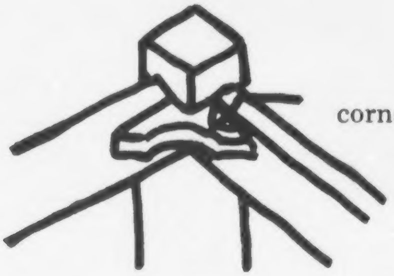
In mortise and tenon one piece has a notch cut out. The other piece is cut to fit in the notch.



In double doweling one piece has two round holes. The connecting piece has dowel rods inside it. The rods stick out enough to fit into the holes.

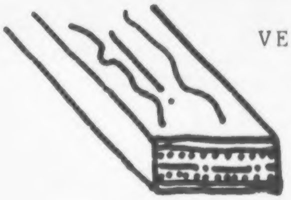


The joints should be made stronger with corner blocks. These are pieces of wood that are glued between the parts of the frame.



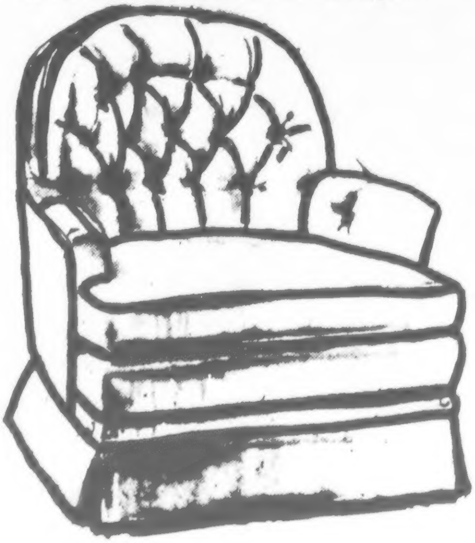
2) Check the thickness of the veneer. Veneer is wood that has several layers glued together. Furniture used to be made of solid wood such as walnut, oak, maple or birch. Today solid wood is so expensive that it is seldom used to make case pieces.

Good veneer is several pieces thick. Each piece or layer is called a ply. Better quality furniture has 9, 7 or 5 plies. The plies may be all the same type of wood. More often, the inside plies are cheap wood and the outside layers are expensive wood. Veneers are very durable. They are less likely to shrink and swell than solid woods. A "genuine wood" label on furniture means all the wood that can be seen is real. Inside layers may be something else. A tag may say maple or oak "finish." This means the wood has been made to look like maple or oak. It is not genuine wood.



The quality of upholstered furniture is a little harder to check than the quality of case goods. It should be soft but firm. Upholstered furniture has more parts to check. Here are the things to look for when buying upholstered furniture.

1) Check the frame. It should be sturdy. The piece should not wobble or sit crooked.
2) Check the springs and the webbing. The webbing is the material that holds the springs in place. It may be jute, steel, rubber, plastic or wood. The best type of spring construction is double coil.
3) Find out about the cushioning or padding. Urethane and latex foam are two of the best padding materials. Cotton is used in inexpensive furniture. Horsehair and pig bristles are often found in good used pieces. In the very best furniture, muslin is put over the padding. Be sure the padding is even and thick.
4) Find out about the fabric that covers the piece of furniture. The fabric material should be firmly stitched. Ask for a sample of the material. Hold it up to the light to see if the fabric weave is a close one. Also pull the fabric lengthwise and crosswise to check its strength.



The following chart shows the materials that are used most often to upholster furniture.

FABRIC OR MATERIAL	CHARACTERISTICS	CARE
Cotton	Easily dyed. Special finishes control shrinkage and make fabrics water-repellant, soil and wrinkle resistant.	Soils, stains and wrinkles easily unless specially treated.
Wool	Strong, elastic, warm, resilient, good wrinkle recovery. Can be treated for moth proofing, mildew resistance and shrink resistance. Usually expensive fabric.	Resists soil. Easy to spot clean. Pilling occurs in certain blends.
Silk	Domestic silk is lustrous, light in weight, strong and dyes well. Wild silk has added strength.	Dry clean or wash according to blend.
Acetate	Beautiful luster. Solution dyed colors are resistant to sun, washing and cleaning.	Dry cleaning usually recommended.
Acrylic	Bulky, wool-like feel. High resistance to soil, stain, sagging and stretching. Pilling may be a problem. Subject to static electricity.	Dry clean or wash. Resists soiling and spotting if cleaned immediately.
Nylon	High strength, light weight, wrinkle resistant. Moth and mildew resistant. Sun will rot.	Fiber does not absorb soil easily but static electricity causes dirt to cling. Dry clean or machine wash.
Olefin	Pilling resistance high in filament form. High strength. Resists abrasion, wear and soiling. Good resilience, moth and mildew resistance.	Launder or professional cleaning.
Polyesters	Good dimensional stability. High strength, durable, moth, mildew and sun resistant. Slow to soil.	Wash or dry clean.
Leather	Soft, flexible and long wearing. Subject to stain, but can be treated with stain resistant finish.	Use leather cleaner.
Vinyl	Durable and easy to care for. Can pick up stains. Feels hot in summer and cold in winter. May tear easily.	Wipe with a damp cloth.

A piece of upholstered furniture has a tag attached to it. The tag tells about the fibers and materials used to make the piece. It may also tell about how to care for the piece.

A piece of upholstered furniture may also have a tag that tells about a special finish. The most popular finishes are the following:

1) Special Permel Plus and Syl-mer Silicone Finish — repels spotting and waterborne stains.
2) Fluorochemical finishes like Scotchgard and Zepel — repels water and oil stains, aids in cleaning.

When you decide to buy a new piece of furniture, you might start by looking in a catalog. The catalog will give you an idea about what is available in different price ranges.

ACTIVITY 1

Use this catalog description to answer the questions. Write your answers in your Student Response Booklet.

1. What material is used to cover this furniture?
2. How do you clean the furniture?
3. How are the frames constructed?
4. What is the cushioning or padding made from?

Check your answers with the Answer Key. It is on the last page of the packet.

1 to 4 DISTINCTIVE LEATHER-LOOK VINYL. All the plump, deep down comfort, plus the expensive look of real leather in a durable vinyl that needs no pampering. Geared to take the busy activity of a family room, yet requires the easiest care—a damp cloth restores its luster. Sturdy hardwood frames, corners securely blocked and doweled. Button-tufted back cushions filled with shape-holding shredded polyurethane foam; removable seat cushions filled with molded polyurethane foam. Seats are 17 in. high. Shipping class N = Not mailable: **see** page 830

[1] Sofa. 88x34x33 in. high overall. Shpg. wt. 165 lbs., Class N.
R 793-0167 A 259.99

[2] Loveseat. 62x34x33 in. high overall. Shpg. wt. 130 lbs., Class N.
R 793-0175 A 219.99

[3] Chair. 37x34x33 in. high overall. Shpg. wt. 82 lbs., Class N.
R 793-0183 A 139.99

[4] Ottoman. 1 attached cushion. 29x25x17 in. high. Shipping weight 35 lbs., Class N
R 793-0191 A 69.99

SAVE $50 when you buy 3-Pc. Group: Sofa [1], Chair [3], and Ottoman [4]. Shp. wt. 282 lbs., Class N.
R 793-0217 A 419.97

ACTIVITY 2

Pick a furniture item that you would like to buy. It should be in the case goods or upholstered grouping. Find the item in a catalog. Write the information given that seems most important to you.

When buying expensive items, such as new furniture, it is always a good idea to shop around. Compare prices and quality. Check guarantees and warranties. Ask about delivery charges. Start a price check by looking in the newspaper.

ACTIVITY 3

You will need some recent issues of your local newspaper. The Sunday edition usually has the most ads in it. You will also need the phone book Yellow Pages. If you live in a small town use the newspaper and phone book of the nearest large city.

Look in the paper to see if any furniture stores are having a sale. Check to see if the item you chose is on sale.

Next look in the phone book under furniture dealers. Choose three that sell your item. Write the name, address and phone number in your Student Response Booklet.

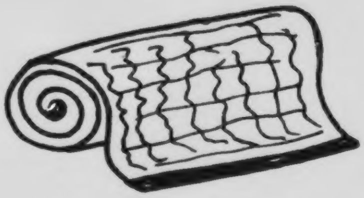
Over the weekend or as soon as you have time, do some comparison shopping. Go to the three stores you wrote down. Also visit any stores that had ads for your item in the newspaper. Talk to other people in your family about what you might purchase. They may want to go shopping also.

Write down the prices at each store. Also write down any other important information. Do this on your own paper. Sometimes it is hard to compare if the item is not exactly the same at each store. Consider other things such as sturdiness, guarantee and quality of wood or fabric finish.

BUYING FLOOR COVERING: The most popular types of floor coverings include carpet, rugs, linoleum sheets and floor tiles. When choosing a floor covering it is very important to think about the traffic pattern in your home. The traffic pattern means the number of times a day people walk over a certain spot. The area near the door most often used, gets a lot of traffic. In most homes the bedroom is a low traffic area. The quality of floor covering you buy should depend on the amount of traffic it must bear.

CARPET: Carpet is sold by the square yard. It is usually made in certain standard widths such as 12 or 15 feet. If your room is a funny shape, you may have to buy more carpet than you really need. To find out how many square feet you need, measure your room. Measure the length and the width. Multiply these numbers times each other. For example, a room that is 12 feet wide and 18 feet long has 216 square feet in it. (12 x 18 = 216). Since carpet is sold in square yards we must change the 216 square feet to yards. To do this divide by 9.

$$\begin{array}{r} 24 \\ 9\,\overline{)216} \\ \underline{18} \\ 36 \\ 36 \end{array}$$



The room needs 24 square yards of carpet.

Here are some things to check when you buy carpet or rugs.

1) Good carpet has a closely packed pile. The surface yarns should be very close together.
2) The pile should be firmly attached to the backing. To check this, bend back a corner of the carpet.
3) The backing (what the carpet is attached to) should be strong and sturdy.

Many kinds of fibers are used to make carpet and rugs. Wool is a natural fiber that is strong and soil-resistant. It wears very well. There are many different man-made fibers. These fibers often have a brand name or registered trademark. This is what a certain company calls its own carpet. The chart shows the fiber and tradename of several carpets.

Fiber	Brand Name	Company Name
Acrylic (Resilient, long-life, soil resistant	Acrilan	Monsanto
	Creslan	Am. Cyanamid
	Orlon	DuPont
	Zefran	Dow Badische
Modacrylic (Resilient, long-life, soil resistant)	Dynel	Union Carbide
	Verel	Eastman
Nylon (Strong, abrasion resistant, low moisture absorbency)	Anso	Allied Chemical
	Antron	DuPont
	Banlon	Beaunit
	Celanese Nylon	Celanese
	Cumuloft	Monsanto
	Enkalure	Am. Enka
	Wellon	Wellman
Olefin (Strong, water and abrasion resistant, easy to clean)	Herculon	Hercules
	Marvess	Phillips Fibers
	Vectra	Veetra Corp.
Polyester (Strong, abrasion-resistant, springs back well)	Aulin	Am. Viscose
	Dacron	DuPont
	Encron	Am. Enka
	Fortrel	Celanese
	Trevira	Hoechst
	Wellene	Wellman

Carpets and rugs need a cushion or pad underneath them. The carpet cushion is needed to make the carpet last longer. It helps absorb sound and crushing footsteps. The best padding materials are:

cattle hair
sponge rubber
urethane foam
rubberized back
foam rubber

Stay away from all jute. It tends to bunch up after some use.

ACTIVITY 4

Do this activity if you are interested in buying floor covering.

Step 1. Choose a type of carpet, linoleum or floor tile. Visit two or three stores that sell the covering you chose. Get all the information you can about the advantages and disadvantages of the product.

Step 2. This step involves a trip to the library. There are two non-profit groups that test things for the consumer. These groups have written buying guides. The guides are called **Consumers' Research Handbook of Buying Issue** and **Consumer Reports Buying Guide Issue.** Find these books and see if you can find some information on the floor covering that interests you.

If you don't know much about using the library, there is another packet you should complete first. It is "CR-5. Using the Library."

CE-12
ANSWER KEY

ACTIVITY 1

1. Vinyl
2. Clean it with a damp cloth
3. Hardwood frames with block and dowel construction
4. Shredded polyurethane foam

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS-12
HOME FURNISHINGS

NAME ______________________________

DATE ______________________________

ACTIVITY 1

1. What material is used to cover this furniture? ____________________
2. How do you clean the furniture? ____________________
3. How are the frames constructed? ____________________

____

4. What is the cushioning or padding made from? ____________________

ACTIVITY 2

What catalog information seems most important to you? ____________________

____

ACTIVITY 3

Furniture Stores

	NAME	ADDRESS	TELEPHONE NUMBER
1.			
2.			
3.			

ACTIVITY 4

Use your own paper for this activity.

CE-13: HOUSING NEEDS
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this Student Activity/ Task Packet the adult learner will be able to determine housing needs. The learner will also know how to obtain housing and utilities based on these needs.

INTRODUCTION:
This packet familiarizes the student with the advantages and disadvantages of home ownership versus apartment living. It contains information about how to select a home and how to obtain a mortgage. There is also a section on renter's rights and responsibilities.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system, and group work.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:
The student will need to have a basic knowledge of multiplication in order to do the first activity in this packet.

PRE/POST TEST:
There is no Pre/Post Test. Student interest and need should indicate which students use this packet.

ADDITIONAL MATERIALS NEEDED:
Local newspaper
Telephone book

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Obtains information
  - Uses maps
  - Follows directions
  - Recognizes symbols and abbreviations
  - Applies knowledge to similar situations

- Writing
  - Makes lists
  - Makes notes

- Speaking, Listening, Viewing
  - Analyzes situation
  - Presents information
  - Describes personal view

- Problem Solving
  - Defines situation
  - Obtains information
  - Examines alternatives
  - Determines plan of action

- Interpersonal Relations
  - Explains needs and concerns
  - Understands needs of others
  - Identifies and resolves conflicts

- Computation
  - Adds
  - Subtracts
  - Multiplies
  - Divides

To the student . . .

In this SAT Packet you will learn about housing needs. You will read about:

- how much to spend on housing
- whether to buy or rent
- what steps to take when you decide to buy
- the best way to shop for housing
- rules to follow when you rent
- how to move

When you are finished, you should have a good idea of the kind of housing that is best for you.

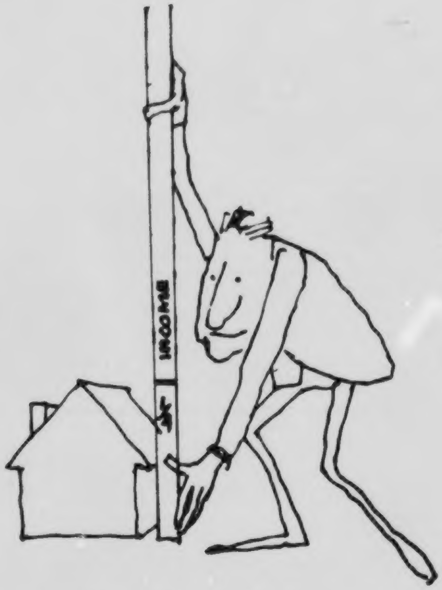
Extra materials you will need to complete this packet are:

1) Local newspaper
2) Phone book

"A HOUSE THAT'S RIGHT FOR YOU
IS IMPORTANT"

A HOME THAT IS RIGHT FOR ME:

Choosing a home is a very important decision. Providing a home costs a lot of money each year. It is a big investment over the years. There are many different things to consider before you choose a home. Probably the most important thing to consider is "How much should I spend?" Some say you should spend no more than 2 to 2½ times your total annual income when buying a home. If you are renting you should pay no more than one week's salary per month. These are general "rules of thumb." They do not take into account your special situation. To find out about how much of your income you should use to provide a home, complete Activity 1.



Your total monthly housing costs generally should not exceed one week's pay.

Can you afford it?

ACTIVITY 1

Follow the instructions. Write the answers in the Student Response Booklet.

1. Multiply your yearly income by 2.25. This is the amount you should spend to buy a house.
2. Write the amount of your weekly income in your Student Response Booklet. You should pay about this amount each month to provide a home.

SHOULD I BUY OR RENT?

At some time in your life you will probably face a choice between buying or renting a house. It is sometimes difficult to decide which to do. Both renting and buying have certain advantages. Look at some of the reasons listed below for renting:

1) You usually spend less on a home that you rent than on one you buy.
2) There is no chance for loss on an investment.
3) It is easier to move on a short notice. (You may not be sure how long you will be in an area — your job may be uncertain.)
4) You are not bothered with real estate taxes.
5) You are not responsible for major repairs or general maintenance. (This is often a good reason for the elderly to rent.)
6) Things are looked after while you are away. (Good reason for people who travel a lot.)
7) Renting gives more opportunity to learn about different areas. (This could be helpful if you are just moving into a city for the first time.)
8) The housing needs of your family for the future are uncertain. (An important reason for many newly married people to rent.)

9) You do not have enough money for a down-payment on a home of your own.

There are many good reasons to buy or build a home. Let's look at some of them:

1) Money put into a home is often a good investment.
2) During inflation periods, the value of a home will raise; however, if you have a mortgage, the monthly payments will stay the same.
3) It offers some advantages on income tax deductions.
4) It may give the family a feeling of security.
5) You have decided exactly in which area you wish to live, and expect to live there for several years.
6) Your family size demands more room.
7) It often gives a better chance to provide a good environment for children.
8) Buying a home improves a family's credit rating.
9) Owning your home allows you to make changes in your home.

ACTIVITY 2

Do you think it would be better for you to buy or rent a home? List at least 3 reasons. Make your list in your Student Response Booklet.

Whether you rent or buy, there is one important decision to make. What location is best for you and your family. People choose a location for many reasons. Some of the reasons are listed below. Read the list. Then complete Activity 3.

1) **Public Transportation.** This is very important to people who cannot drive or do not own a car. If you are without a car, this must be one of the most important things you should consider. Even people who do drive and own a car often use public transportation. With the energy crisis and the price of gasoline, this should be an important point for everyone in the future.
2) **Schools.** If you have children, this will be important to you. The location you pick may be determined by the school district.
3) **Job.** Some people pick a location because it is close to their work. Others don't mind a long drive to work. How do you feel about this?
4) **Shopping.** This can be very important. People without a car will often locate close to a shopping area.
5) **Recreation.** Some people consider this very important. People who live on lakes and drive long distances to shop or work are a good example. They usually consider being close to recreation very important. Others may not feel it is as important. How do you feel?

ACTIVITY 3

There are many other reasons why people pick a particular location. You may have one that is different than those you have read about. Think about what is important for you. Then answer the questions below. Write the answers in your Student Response Booklet.

1. What do you feel is most important for you when picking a location?
2. What are your reasons?

"WHAT ARE YOU LOOKING FOR?"

?
Transportation
?
Recreation
Schools
?
?
Shopping
?
?

Now that you have a good idea of what you need and can afford, how do you find it? There are many ways to locate available housing. Some of these are:

1) **Newspapers.** The classified ads give a complete listing of housing available by area.
2) **Free Magazines.** These are often available in neighborhood grocery or drug stores. They list housing by area and often have pictures of the houses.
3) **Real Estate Agents.** These people are in the business of locating housing for people and selling housing for others.
4) **Home Builders.** They usually have several models that you can look through if you are thinking of building.
5) **Friends or Relatives.** When you are looking for a place to live, tell people. Sometimes they can lead you to just what you are looking for.
6) **Driving around.** People often find housing just by keeping their eyes open!

USING THE NEWSPAPER

The newspaper can be very helpful when looking for housing. Most newspapers separate their listings into different categories. The headings may be for a certain type of housing. The headings may also be for a certain area of the city. Get a copy of your local newspaper. If your newspaper does not have a section for housing, get a copy of the newspaper from the nearest large city. Look at some of the different headings. Complete Activity 4.

ACTIVITY 4

Make a list in your Student Response Booklet of some of the different headings for housing in your newspaper. List at least 4 different headings.

APARTMENTS FOR RENT

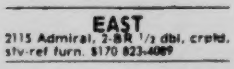
Newspaper Ads. Newspaper space is expensive. Only so much space is allowed for each ad. The newspaper charges for each letter used in an ad. To save money, abbreviations are used. You should know what these abbreviations mean. Study the following list.

rms	rooms
apt	apartment
dep. req	deposit required
bdrm	bedroom
bdrms	bedrooms
wk	week
utils	utilities
blk	block
incl	including
BR	Bedroom
refs	references
ht	heat
wtr	water
furn	furnished
redec	redecorated
dbl	double
bsmt	basement
w/	with
ref or refrig	refrigerator

ACTIVITY 5

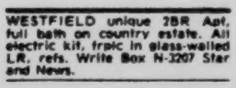
You have read the list of newspaper ad abbreviations. Look in your newspaper. Find 5 more ads.

1. List these in your Student Response Booklet.
2. Look at the ads listed here. Write each sentence in the ad in the long form. Write these in your Student Response Booklet.



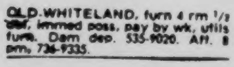
EAST
2115 Admiral, 2-BR 1/2 dbl, crptd, stv-ref furn. $170 823-4089

1



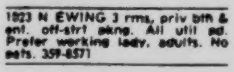
WESTFIELD unique 2BR Apt, full bath on country estate. All electric kit, frplc in glass-walled LR, refs. Write Box N-3207 Star and News.

2



OLD.WHITELAND, furn 4 rm 1/2 dbl, immed poss, pay by wk, utils furn. Dam dep. 535-9020. Aft. 8 pm, 736-9335.

3



1023 N EWING 3 rms, priv bth & ent, off-strt pkng. All util pd. Prefer working lady, adults. No pets. 359-8571

4

When you have finished, check your answer with the Answer Key.

Locating the Address. if you use a newspaper to find housing you must be able to locate the place yourself. This means you may have to call for an address. You then must locate the address. A city map can be very helpful for this. You could also ask directions when you call. To give you practice in locating an address, complete Activity 6.

ACTIVITY 6

Nancy called a number in an ad. The lady told her the house was at 302 N. Arsenal Avenue. Nancy was not sure where this was. She asked the lady for directions. The lady told her . . .

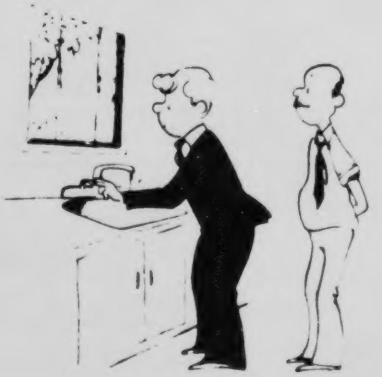
> Go east on 12th Street to West Street. Take West St. south to New York Street. Turn left on New York. You will then be going east on New York. Take New York St. east till you go past Interstate 70 (or 65). About 5 blocks past I-70 you will come to Arsenal Avenue. Turn right on Arsenal Avenue and go 2 blocks. The house is on the corner of Arsenal Avenue and Ohio Street.

You will find a map in your Student Response Booklet. The star on the map is Nancy's house.

Draw a line on the map that shows the route Nancy should take. Put a star at the spot where 302 N. Arsenal Avenue is located. Ask your teacher if you need help.

What to Look For? When you are looking for a place to buy you should watch for certain things. When you are looking for a place to rent you should also be aware of certain things. Ask questions! Here is a list of suggested items to check.

- Open and close all windows and doors.
- Examine locks and see if the mailbox key works.
- Are ground floor windows or entrances near fire escapes barred and locked securely? How do they operate in an emergency?
- Is there adequate ventilation, air-conditioning, light fixtures and electrical outlets?
- Do all appliances work, including the garbage disposal? Are all appliance accessories available (e.g., broiler pans or ice trays)?
- Flush the toilet, run water in the sinks and the bathtub in order to check flow and drainage. Dripping faucets? (Have them fixed, especially if you are paying the water bill.)
- In furnished apartments, check the condition of the pieces. Make a list of all furnishings and the extent of any damage. Ask the landlord to sign the list, and be sure to keep a copy.
- Note any other visible damage and areas that must be repaired. You should keep a signed copy of this list, too. When you move, it is wise to compare damages with those you and the landlord agree you faced when moving in.
- What about pest control? Do other tenants notice bugs or rodents? In general, be wary of basement apartments, because in addition to more of these crawly creatures, there is a higher incidence of flooding.



When you buy a home, it is even more important to look at it carefully. Buying a home is a big investment. Of course you should check all of the little things that you check if you rent, but often it is more important to check other things too. Sometimes the little things can be changed or fixed once you have purchased the home. Other things cannot be changed as easily. There are 4 major things to be sure of when judging the house. They are: NEIGHBORHOOD, DESIGN, SIZE, and CONSTRUCTION (or how well it is built).

Neighborhood. Look at the list below. It lists some of the things you should check about the neighborhood.

*Are the houses and lawns attractive, neat, and well kept?

*Are adequate police and fire protection provided?

*Are the water mains and sewers in place?

*Are schools, churches, play areas, shops, and stores within reasonable distances?

*Do the streets fit the contours of the land? Are they adequately drained, curbed, and surfaced?

*Is there public transportation?

*Is there anything in the area to produce excessive smoke, odors, and fumes?

*Is the area zoned against undesirable uses?

Design. The house design should be attractive. It should also be practical and comfortable. It should save steps. It should provide privacy.

Size. Check all rooms for size. Are the rooms large enough for your furniture? Are closets big enough?

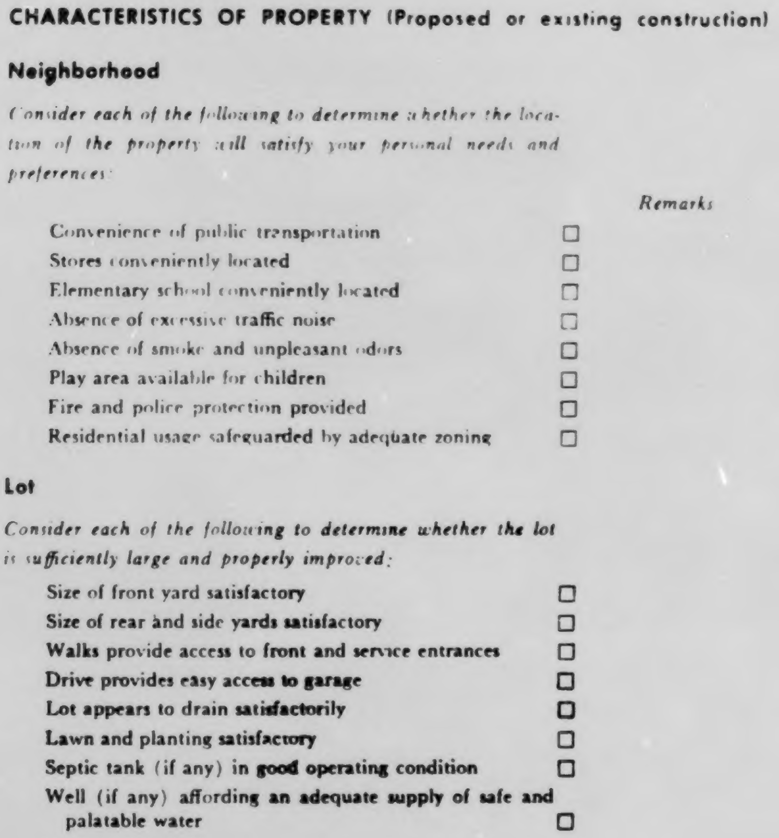
Construction. Check to see if good quality building materials have been used. Check the walls for cracks. Check the floors to see if they are level. Do they squeak when you walk across them? See if all windows and doors fit properly. Check the insulation. Ask if any has been added. If the house has a basement, you should check it carefully for dryness. Check the roof and gutters for leaks.

To avoid trouble later, you should also check the plumbing. Check the electrical wiring and the numbers and locations of electrical outlets. Check the heating system very carefully. Putting in a new furnace is very costly. Also check to see if there are broken windows or if screens and storm windows are in good shape.

Check to see if there is enough storage space for your family. Is there a garage? Is it in good shape?

ACTIVITY 7

You may not be shopping for a home now, but some day you may. To give you some practice in checking a home, complete the checklist on this page and the next. You will want to take this home to do it. If you have a chance to visit a home that is for sale, use the checklist when you go. If you cannot arrange to go through a home that is for sale, use the checklist on the home you are now living in. If you have an apartment, use the home of a friend or relative. Complete this Activity in your Student Response Booklet.



CHARACTERISTICS OF PROPERTY (Proposed or existing construction)

Neighborhood

Consider each of the following to determine whether the location of the property will satisfy your personal needs and preferences:

Remarks

- Convenience of public transportation ☐
- Stores conveniently located ☐
- Elementary school conveniently located ☐
- Absence of excessive traffic noise ☐
- Absence of smoke and unpleasant odors ☐
- Play area available for children ☐
- Fire and police protection provided ☐
- Residential usage safeguarded by adequate zoning ☐

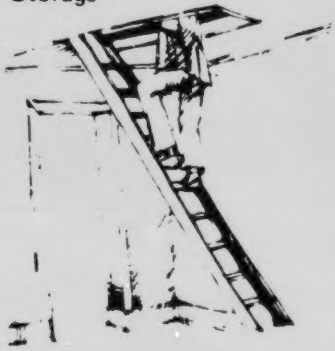
Lot

Consider each of the following to determine whether the lot is sufficiently large and properly improved:

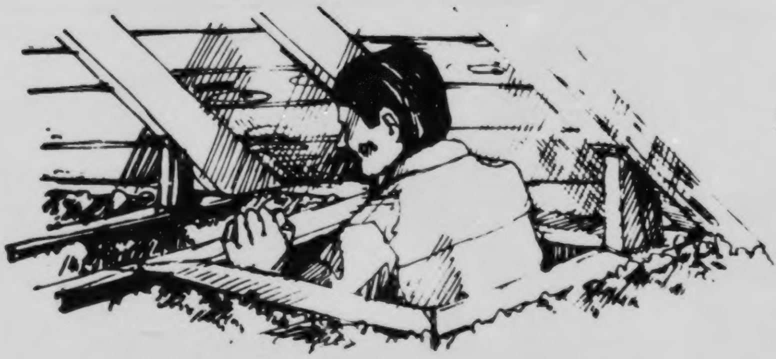
- Size of front yard satisfactory ☐
- Size of rear and side yards satisfactory ☐
- Walks provide access to front and service entrances ☐
- Drive provides easy access to garage ☐
- Lot appears to drain satisfactorily ☐
- Lawn and planting satisfactory ☐
- Septic tank (if any) in good operating condition ☐
- Well (if any) affording an adequate supply of safe and palatable water ☐

THINGS TO CHECK!!!

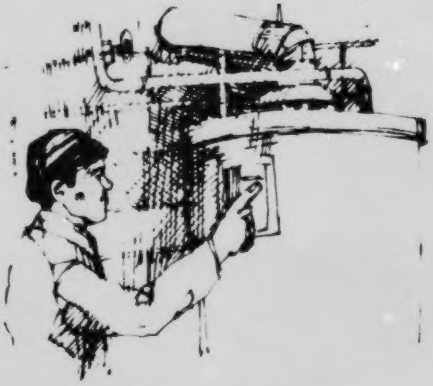
Storage



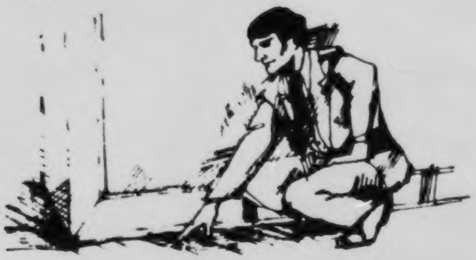
Insulation



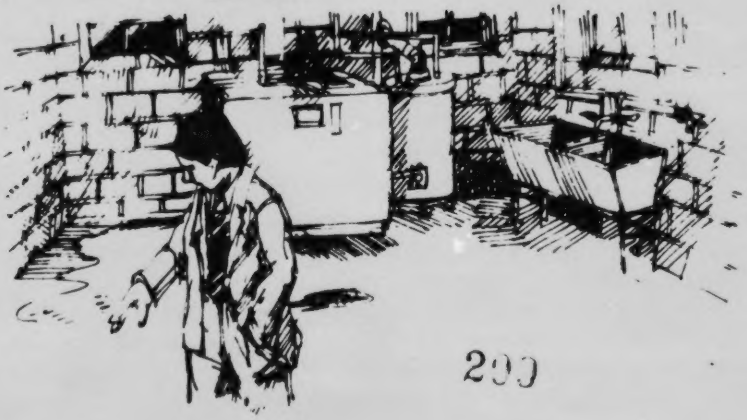
Heating Unit



Floors



Basement



VOCABULARY

Before we talk about kinds of loans and how to get them, there are some terms you should be familiar with. Look at the list of terms and meanings below:

Contract:	This is the legal agreement between the person buying the home and the person selling the home. If you make payments directly to the seller, the terms of the agreement are stated in the contract.
Mortgage:	This is what you get from a bank or savings and loan association. It is an agreement that you borrow money from them to purchase the home. You pay back the money in monthly payments. You will also pay extra money called "interest."
Interest:	The amount you pay extra for the privilege of borrowing the money.
Down Payment:	Cash paid to seller. Usually between 10% and 30% of the total price of the property.
Deed:	This is a legal paper transferring the title of property from seller to buyer. There are two kinds of deeds, the warranty deed and the quitclaim deed. The warranty deed gives title to the buyer, and the seller warrants that he will defend the title against any outside claims. The quitclaim deed gives the buyer any title the seller might have had and the buyer assumes the risk. A warranty deed is the best type of deed to have.
Abstract:	This is a method of checking the safety of the title. It consists of a brief history of the ownership of the property. An abstract makes the buyer sure that the title is good.
Mortgagee:	The person that lends the money.
Mortgagor:	The person who is borrowing the money.

SO YOU HAVE DECIDED TO BUY!

Most families need to get a mortgage, or loan, when they decide to buy a house. Very few people have the cash to pay for a house in full. When you have found a home you want to buy — what do you do next?

First, you may be asked to sign a sales contract or an agreement to buy, and make a deposit. In the contract you agree to buy at a certain price and under certain conditions. The agreement should state all of the following things:

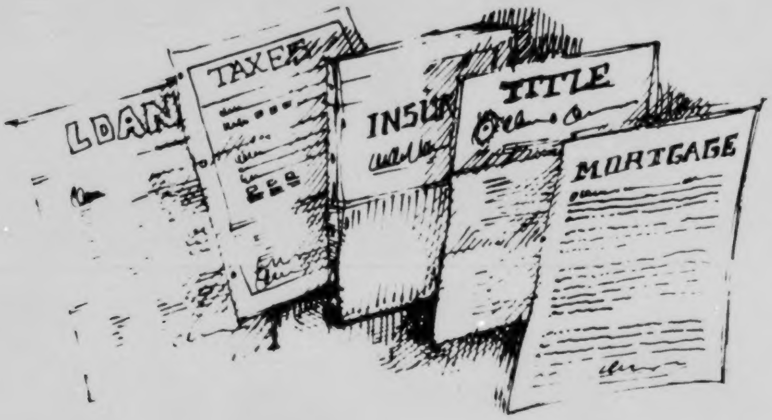
1) Purchase Price
2) Amount of cash down payment
3) How you will finance the balance owed
4) Date you can move in
5) Your right to inspect the property
6) Date you will receive a clear title to the property
7) List of any items not included in the sale. (Items such as drapes, carpeting, or appliances)

You will probably be asked to make a deposit. This is sometimes called "earnest money." It tells the seller that you are serious about buying the property. The amount of the deposit usually varies depending on the price of the property.

The contract should also state that your deposit or "earnest money" is returned if you cannot get a loan or the seller cannot provide a clear title for you.

Sometimes you can get an option from the seller. This is an agreement that gives you a certain period of time to decide if you want to buy. The seller cannot sell to someone else during this time.

Before you sign any papers — **READ THEM CAREFULLY!** It might be wise for you to get the help of an attorney. This may save you money in the long run.



HOW DOES A MORTGAGE WORK?

A mortgage is a loan contract. A lender agrees to loan money to you to buy a piece of property. You promise to repay the money. You also promise to pay extra money called "interest." If you fail to pay, the lender can foreclose. This means he can take possession of the property.

Today, most mortgages are paid off in monthly payments. The monthly payment will include the interest and sometimes taxes and insurance for the property. There are two parts to each payment you make. They are:

1) The Principal: This is the amount you pay toward paying off the original amount you borrowed.
2) The Interest: This is the amount you pay for borrowing.

During the early years of repayment, a large part of each payment goes toward the interest. Very little is paid toward the principal. As you keep paying, the amount you still owe gets smaller. Then a smaller part goes toward interest and more goes toward the principal. As you pay on the principal, you build up what is called "equity." "Equity" is a term used to describe the amount you have as an investment in your home.

The size of your monthly payment will be determined by 3 things:

1) The amount borrowed
2) The number of years taken to pay off the loan
3) The interest rate.

Interest rates may vary with different lenders. It will also vary with different types of loans. The interest you pay can make a **big** difference in the total cost of the home. Even a half of a percent difference can mean over a thousand dollars. The length of time you take to repay makes a big difference too. The longer you take — the more you will pay totally. To get a better idea of how this works, complete Activity 8.

ACTIVITY 8

Let's suppose you are buying a house that costs $50,000. You paid 10% down in cash so now you owe $45,000. (10% of $50,000 is $5,000 and $50,000 minus $5,000 is $45,000)

Let's see how much you will pay totally for different periods of time and different interest rates. First we will assume you will pay 10% interest. Look at the following chart.

Monthly payments for each $1,000 borrowed

Interest rate (percent)	Payment Period				
	10 yrs.	15 yrs	20 yrs.	25 yrs.	30 yrs.
6	11.11	8.44	7.17	6.45	6.00
6½.....	11.36	8.72	7.46	6.76	6.33
7	11.62	8.99	7.76	7.07	6.66
7½.....	11.88	9.28	8.06	7.39	7.00
8	12.14	9.56	8.37	7.72	7.34
8½.....	12.40	9.85	8.68	8.06	7.69
9	12.67	10.15	9.00	8.40	8.05
9½.....	12.94	10.45	9.33	8.74	8.41
10	13.22	10.75	9.66	9.09	8.78
10½.....	13.49	11.05	9.98	9.44	9.15
11	13.78	11.37	10.32	9.80	9.52

Find the interest rate column and follow it down till you find the "10." Now go across the chart until your finger is under the "15 yrs." column. The number there should read 10.75. Now take 10.75 times 45, because 45,000 dollars was borrowed. You should come up with the number 483.75. This is the amount you would pay each month. Since there are 12 months in each year and you borrowed the money for 15 years, then 12 times 15 will give you the total number of months. In this case it is 180 months. If you take the amount paid each month (483.75) times the number of months (180) you will get the total amount paid for the mortgage at the end of the 15 year period. Do this and record your answer in your Student Response Booklet. (Under #1)

Now follow these same steps for problem #2:

2) Find the total amount of $45,000 borrowed at 10% interest for **25 years** this time. Follow the steps you took above. Is the figure different even though the same amount of money was borrowed? Record it in your Student Response Booklet. Check your answers with the Answer Key in the back of this packet when you have finished this activity. If you need help, ask your teacher.

3) Now let's try it for $45,000 borrowed for 25 years again. This time let's raise the interest rate from 10% to 11%. Follow the same steps and see what the difference is between this figure and the total figure for problem #2. You will see that even though the same amount is borrowed, the interest rate can make a difference in how much you pay back. Write the answer in your Student Response Booklet.

OTHER EXPENSES OF OWNING A HOME.

Very often when you rent, you will not be responsible for all of the utilities. However, when you own your own home, you will always be responsible for the utilities connected to that home. The amount you pay will be determined by how much you use. It will also depend on the rate charged by the gas or electric company. In the case of the sewers, it is usually so much a month and depends on how much water you use. The telephone also has a charge of so much a month. Added to this may be the cost of extensions or long distance calls. Electric and natural gas utilities are regulated by state agencies. If you have a question about your utility companies' charges, you should contact the utility commission in your state capital. In Indiana, it would be located in Indianapolis. Often, however, you can get answers by calling the company. The company can also send you pamphlets which explain how to read your own meters. In this way you can check to see how much you are using. With this skill, you can decide if your attempts to save energy are working. You can check your bills to see that they are correct.

They can also help you with reading the bill if that is a problem. You should be familiar with which companies control the utilities in your area and where they are located. To help you with this, complete Activity 9.

ACTIVITY 9

Look in the phone book for your area. Find the name, address, and phone number for:

1) Gas Company
2) Electric Company
3) Phone Company
4) Water Company

If you have trouble, ask your teacher for help. Write the information in your Student Response Booklet.

IF YOU DECIDE TO RENT.

You should not think that renting is always a way to avoid legal problems or contracts. Renting can and does involve contracts.

When you rent, the contract you agree to is usually called a "lease." A lease is a legal document that records the agreement between the owner and the renter. It usually states the following things:

LEASE
agrees
payment

1) How long you will live there.
2) The amount of rent to be paid and date due.
3) The rules you will obey while living there.
4) A description of the property.
5) Name of the landlord.
6) Name of the tenant or renter.
7) Who is responsible for maintenance of the dwelling.
8) Notices that must be given if the lease is going to be broken.

A lease usually covers a period of at least one year.

Another type of agreement is a written agreement. It usually allows you to rent on a month-to-month basis.

An oral agreement is another kind of arrangement. It offers no legal protection to the renter if the landlord fails to meet his responsibilities.

It is up to the renter to decide which of these 3 kinds of agreements he wants. Most often, a lease is the best kind of agreement to have. It prevents any misunderstanding about who should occupy the dwelling.

No rental arrangement is legal until it is signed by both the tenant and the landlord. Don't sign anything which contains blank spaces. Don't be in a hurry. Don't sign until you understand all of the terms of the agreement.

Be sure to get everything which concerns you in writing in the lease. If the landlord is honest and deals fairly, he/she should not object to putting it in writing.

The Security Deposit. The tenant may be required to deposit money at the time of signing the lease. This is usually made to compensate the landlord for unusual property damage or unpaid rent due at the time the lease is ended.

RENTAL ARRANGEMENT
TENANT
LANDLORD

Be careful about making a deposit on an apartment unless you definitely plan to move in. If you change your mind, your deposit may not be refunded.

When you leave an apartment or house you have rented, the landlord should return the amount of the deposit to you. If he does not do this, he must justify, in writing, the reasons he is keeping the money. This should be a complete explanation and include an itemized list of repairs made. The tenant has the right to go with the landlord when he inspects the dwelling.

Don't be in a hurry. Don't sign until you understand all the terms.

If you feel that a deposit, or a part of it, has been kept without good reason, you should contact a lawyer, a legal aid society, a rental regulatory agency, or some similar institution. In some cases you may be referred to Small Claims Court.

Your Responsibilities. As a renter, you will have certain reponsibilities. Look at the list below. It lists some of the things you are responsible for.

1) Keep all parts of the dwelling that you occupy as clean and safe as possible.
2) Dispose of garbage and trash in a clean, safe way.
3) Clean the plumbing fixtures in the dwelling whenever necessary.
4) Use electricity, plumbing, heating, and other utilities in a reasonable manner.
5) Do not deliberately destroy, damage, or remove any part of the dwelling.
6) Do not disturb your neighbors' rights to enjoy their dwelling.

TRASH
RUBBISH

Responsibilities of the Landlord. The landlord also has responsibilities to you. The list below is of some of these responsibilities.

1) The materials used in the dwelling must meet the standards set for safety and health.
2) Make repairs necessary to keep the living quarters in a fit condition.
3) Keep the hallways, yards, and parking lots in a clean, safe condition.
4) Keep the electricity, plumbing, heating, and other utilities in good and safe working order.
5) Provide a place to dispose of your garbage and trash and arrange for it to be picked up.
6) Supply running water. Supply hot water. Supply heat.

WHEN YOU MOVE.

You can help make moving easier by planning ahead. This will help you keep costs at a minimum too. You should decide on a mover and a moving date early. Friends and relatives may be able to recommend a good mover to you. If you don't have a lot to move and plan to do it yourself you may have to rent a trailer or truck. You should check the prices of different moving companies or rental agencies ahead of time. Look at the list below. This lists some of the rules you should follow when moving. When you have finished, complete Activity 10.

**Call different moving companies and compare costs.

**Discuss what kinds of services are provided for your money.

**Discuss how payment is to be made.

**Have a good idea of the total value of your furnishings before moving day.

**Be present when your furnishings are moved if possible.

**Check carefully to see that nothing has been forgotten.

**Be patient.

**Sell or give away any items you do not want before you move.

**Pack your belongings with unpacking in mind. Label boxes. Put the name of the room it is to go to on the box.

**Send change of address notices to the post office, insurance companies, newspapers, and any others that might need it.

**Collect important records from schools, doctors, lawyers, or insurance agents if you are moving to another city.

**Cancel services or deliveries such as milk or newspapers.

**Cancel services for utilities. Be sure to notify the utility where to send the final bill.

**Have appliances disconnected and ready to move.

ACTIVITY 10

You should be aware of the costs involved in moving. You will need the phone book for this activity. Look up the phone number for two moving companies. Write their name and phone number in your Student Response Booklet. Now call them and get information about how much they charge. Pretend you are moving from the house you now live in. Write this information in your Student Response Booklet.

Now call a rental agency such as U-Haul. Ask them how much it is to rent a truck for moving. Record this amount in your Student Response Booklet. Is there a big difference between hiring movers or doing the work yourself?

ANSWER KEY

ACTIVITY 5

1)	BR	bedroom
	dbl	double
	crptd	carpeted
	stv-ref furn	stove and refrigerator furnished
2)	BR	bedroom
	kit	kitchen
	frplc	fireplace
	LR	Living Room
	refs	references wanted
3)	furn	furnished
	rm	room
	dbl	double
	immed. poss	immediate possession
	wk	week
	utils. furn	utilities furnished
	Dam. dep	Damage deposit required
	Aft	After
4)	rms	rooms
	priv. bth. & ent.	private bath and entrance
	off-strt. pkng	off street parking
	util. pd	utilities paid

ACTIVITY 8

1) Amount: $87,075

2) Amount: $122,715

3) Amount: $132,300

4) Difference: $35,640

5) Difference: $9,585

STUDENT RESPONSE BOOKLET

HOUSING NEEDS
CE-13

NAME: ______________________________

DATE: ____________________

ACTIVITY 1

Yearly income multiplied by 2.25:

Your weekly income:

ACTIVITY 2

Make your list below:

ACTIVITY 3

1. What is most important?
2. Reasons:

ACTIVITY 4

List 4 different headings below:

1.
2.
3.
4.

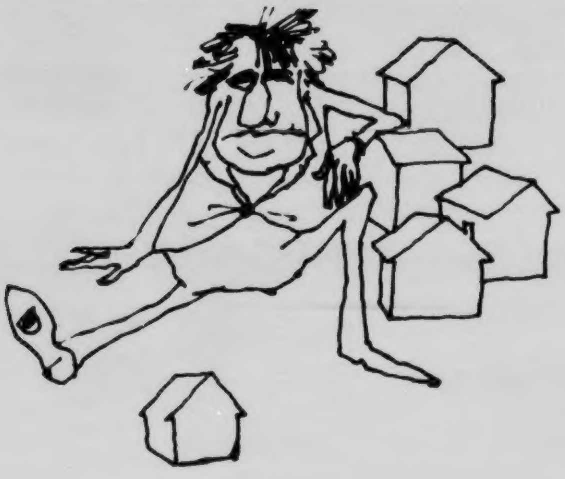
ACTIVITY 5

Ad #1:

Ad #2:

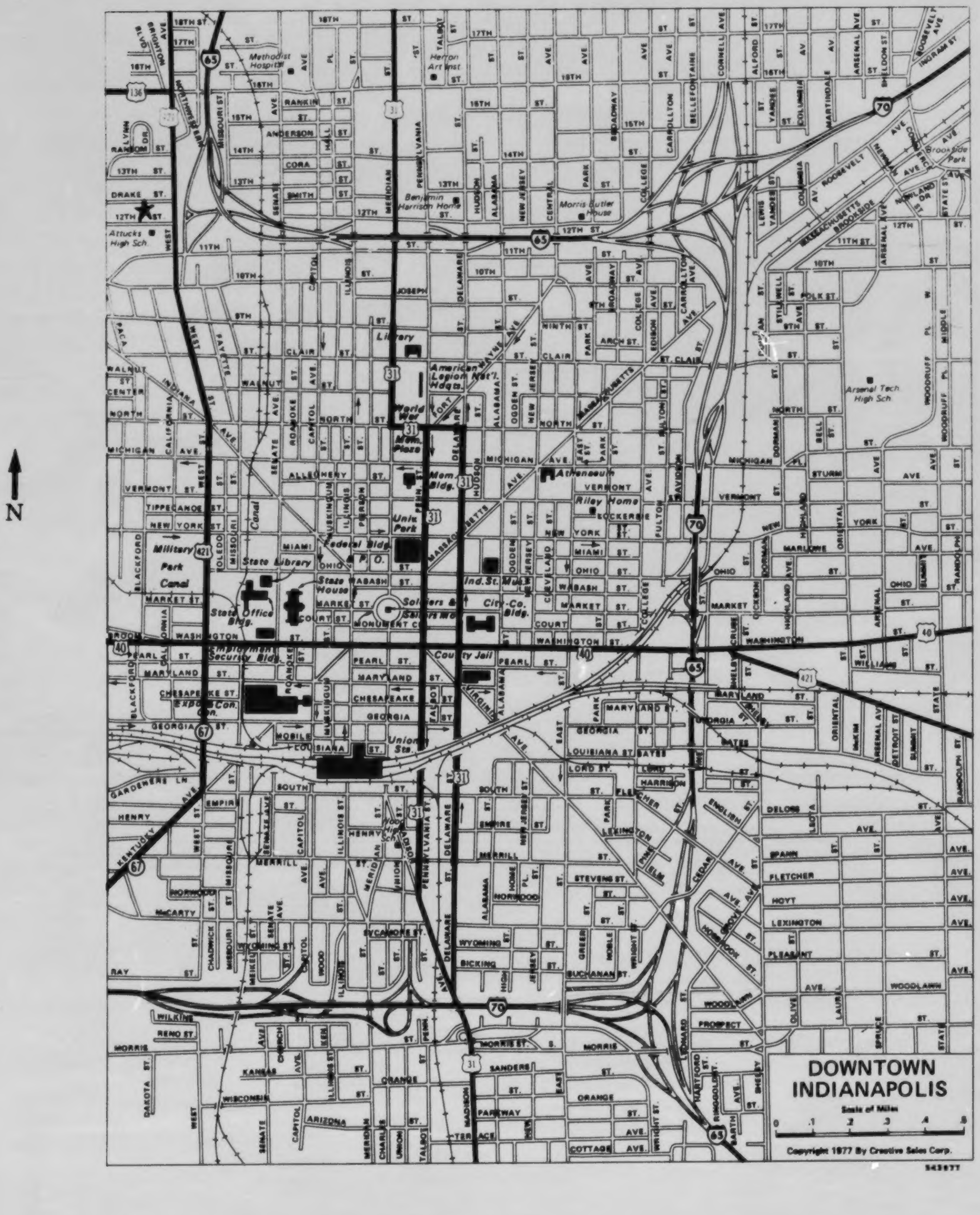
Ad #3:

Ad #4:



Finding a place to rent can be a very tedious and time-consuming activity.

ACTIVITY 6


N
DOWNTOWN INDIANAPOLIS
Scale of Miles
0 .1 .2 .3 .4 .5
Copyright 1977 By Creative Sales Corp.
Methodist Hospital
Herron Art Inst.
Benjamin Harrison Home
Morris Butler House
Attucks High Sch.
Library
American Legion Nat'l. Hdqts.
World War Mem. Plaza
Mem. Bldg.
Univ. Park
Athenaeum
Riley Home
Federal Bldg. & P. O.
Military Park
Canal
State Library
State House
State Office Bldg.
Soldiers & Sailors Mon.
Ind. St. Mus.
City-Co. Bldg.
Employment Security Bldg.
County Jail
Expo. Con. Cen.
Union Sta.
Arsenal Tech High Sch.
Brookside Park
12TH ST.
WASHINGTON
MERIDIAN
65
70
31
40
421
67
136

★ = Nancy's house

ACTIVITY 7

CHARACTERISTICS OF PROPERTY (Proposed or existing construction)

Neighborhood

Consider each of the following to determine whether the location of the property will satisfy your personal needs and preferences.

Remarks

Convenience of public transportation ☐
Stores conveniently located ☐
Elementary school conveniently located ☐
Absence of excessive traffic noise ☐
Play area available for children ☐
Fire and police protection provided ☐
Residential usage safeguarded by adequate zoning ☐

Lot

Consider each of the following to determine whether the lot is sufficiently large and properly improved.

Size of front yard satisfactory ☐
Size of rear and side yards satisfactory ☐
Walks provide access to front and service entrances ☐
Drive provides easy access to garage ☐
Lot appears to drain satisfactorily ☐
Lawn and planting satisfactory ☐
Septic tank (if any) in good operating condition ☐
Well (if any) affording an adequate supply of safe and palatable water ☐

Interior Detail

Consider each of the following to determine whether the house will afford living accommodations which are sufficient to the needs and comfort of your family:

Remarks

Rooms will accommodate desired furniture ☐
Dining space sufficiently large ☐
At least one closet in each bedroom ☐
At least one coat closet and one linen closet ☐
Convenient access to bathroom ☐
Sufficient and convenient storage space (screens, trunks, boxes, off-season clothes, luggage, baby carriage, bicycle, wheel toys, etc.) ☐
Kitchen well arranged and equipped ☐
Laundry space ample and well located ☐
Windows provide sufficient light and air ☐
Sufficient number of electrical outlets ☐

Exterior Detail

Observe the exterior detail of neighboring houses and determine whether the house being considered is as good or better in respect to each of the following features:

Porches ☐
Terraces ☐

- Garage ☐
- Gutters ☐
- Storm sash ☐
- Weather stripping ☐
- Screens ☐

CONDITION OF EXISTING CONSTRUCTION

Exterior Construction

The following appear to be in acceptable condition:

- Wood porch floors and steps ☐
- Windows, doors, and screens ☐
- Gutters and wood cornice ☐
- Wood siding ☐
- Mortar joints ☐
- Roofing ☐
- Chimneys ☐
- Paint on exterior woodwork ☐

CAUTION: Cracking, peeling, scaling and loose paint on stairs, decks, porches, railings, windows and doors may contain amounts of lead which are harmful if eaten by children under seven years of age. Examine these areas carefully.

Interior Construction

- Plaster is free of excessive cracks ☐
- Plaster is free of stains caused by leaking roof or sidewalls ☐
- Door locks in operating condition ☐
- Windows move freely ☐
- Fireplace works properly ☐
- Basement is dry and will resist moisture penetration ☐
- Mechanical equipment and electrical wiring and switches adequate and in operating condition ☐
- Type of heating equipment suitable ☐
- Adequate insulation in walls, floor, ceiling or roof ☐

The following appear to be in acceptable condition:

Remarks

- Wood floor finish ☐
- Linoleum floors ☐
- Tile floors — vinyl asbestos, asphalt ☐
- Sink top ☐
- Bathroom fixtures ☐
- Painting and papering ☐
- Exposed joists and beams ☐

Are You Sure . . .

That the basement will stay dry after heavy rains?

That proper drainage of the lot is assured by necessary draining swales and proper outfall?

That the sewage disposal system is adequate and in good operating condition?

That the water supply system if other than public service, affords an adequate supply of safe and palatable water?

That the foundations are sound?

That there has been no termite or other insect damage?

You'd better get EXPERT ADVICE on the condition of existing construction, if you want to be sure the house is a good buy.

ACTIVITY 8

1) Total Amount: ____________________
($45,000 for 15 years at 10% interest)

2) Total amount: ____________________
($45,000 for 25 years at 10% interest)

3) Total Amount: ____________________
($45,000 for 25 years at 11% interest)

4) The difference between paying for 15 yers and paying for 25 years is ____________ .
(Subtract total from problem #1 from problem #2.)

5) The difference between 10% interest and 11% interest for the same amount borrowed is ____________________ .
(Subtract total from problem #2 from total of problem #3.)

ACTIVITY 9

1) Gas Company: ____________________
Address: ____________________
Phone: ____________

2) Electric Company: ____________________
Address: ____________________
Phone: ____________

3) Phone Company: ____________________
Address: ____________________
Phone: ____________

4) Water Company: ____________________
Address: ____________________
Phone: ____________

ACTIVITY 10

First moving company: ____________________
Phone: ____________
Cost: ____________________

Second moving company: ____________________
Phone: ____________
Cost: ____________________

Rental Agency: ____________________
Phone: ____________
Cost: ____________________

Is there a big difference? ________

CE-14: CAR BUYING AND MAINTENANCE

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will know how to buy and maintain a car economically.

INTRODUCTION:

This SAT Packet requires the student to become knowledgeable about one of the most important expense items in the budget . . . an automobile. The student will become familiar with some of the aspects of buying and maintaining a car. He/she will also be made aware of appropriate decision making concerning the economic aspects of owning and maintaining a car.

The use of audio-visuals and printed materials will help the student understand terms and concepts related to car buying. Group discussions based on advantages and disadvantages of owning a car, driving, car pooling and/or using public transportation will be of much benefit.

Using resource persons to discuss car maintenance will be valuable. Local high school vocational instructors are very good resources for giving instruction and information concerning maintenance of cars and vehicles.

Local automobile insurance salesmen are another valuable resource. They can provide information about car insurance responsibilities.

Role playing is suitable to this packet. Many of the adult students will have had varied experience in buying and selling cars. Their contribution to the class will be invaluable.

ADAPTABILITY:

This packet is adaptable for use with the following methods of instruction: individualized and group work. Group work is strongly urged. It is a forceful method of instruction to help students with reading difficulties.

READING LEVEL:

The adult student should experience success with this SAT Packet if he/she reads at Level I, Phase I or Level I, Phase II.

MATHEMATICAL SKILLS:

A knowledge of whole numbers will be necessary to complete the assigned work in this packet.

PRE/POST TEST:

There is no Pre/Post Test with this SAT Packet. The success of the student will be demonstrated by his/her ability to buy and maintain an automobile.

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Identifies sources of information
  - Recognizes symbols and abbreviations
  - Obtains information
  - Derives personal relevance
  - Locates information on charts, tables, graphs
- Writing
  - Makes lists
  - Makes notes
- Speaking, Listening, Viewing
  - Exchanges information
  - Analyzes the situation
  - Evaluates the content
  - Describes personal view
  - Draws conclusions
- Problem Solving
  - Defines problem
  - Obtains information
  - Examines alternatives
  - Determines plan of action
- Interpersonal Relations
  - States needs
  - Resolves conflicts
- Computation
  - Adds
  - Subtracts
  - Multiplies
  - Divides

RECOMMENDED MATERIALS:

*Refer to the ABE Curriculum Guide, **Learning for Everyday Living.**

Do It in the Driveway (filmstrip and cassette tape), produced by McIntyre Productions, Inc., 3827 Main St., Kansas City, MO 64111. Forms from the local bank, license branch and insurance agencies.

SOURCES OF INFORMATION:

Consumer Reports, A Publication of Consumers Union of United States, Inc., 256 Washington Street, Mount Vernon, N.Y. 10550.

Consumers Digest, A Publication of Consumers Digest, Inc., 5705 N. Lincoln Ave., Chicago, IL 60659.

Indianapolis Star & News, Indianapolis, Indiana 46204.

Montgomery Wards Auto Club News, A Publication of the Montgomery Ward Auto Club, a subsidiary of Montgomery Ward and Company, 2020 West Dempster Avenue, Evanston, IL 60202.

Danville State Bank, Danville, IN 46122.

DECIDE Student Activity Task Packet CE-18. This packet contains information and activities concerning automobile insurance.

To the student . . .

This SAT Packet contains information about buying and maintaining a car. You will have opportunities to:

- read about buying a car/leasing a car
- interact with others about buying a car
- write information about buying a car
- compute the costs of buying and owning a car
- read graphs, tables and charts
- list the costs of various cars
- read information about car insurance
- read application forms for purchasing and licensing a car
- list services necessary to maintain a car
- decide which accessories are needed on a car for your purposes
- compare performance of different cars

41000 PUPILS
GET A SMALLER CAR- DRIVE SLOWER- SAVE GAS. REMEMBER THE ENERGY CRISIS!
SCHOOL BUS
SCHOOL BUS

BUYING A CAR. Buying a car without being "taken for a ride" is not easy. But go ahead and get excited! It can be done! Just don't let the excitement push you into a deal you'll regret. There is no sure way to "get the best deal." With organized steps, success is more likely. A lot of common sense and patience will make car buying an interesting experience. You may even enjoy it. There are **decisions** to be made about:

— buying a new or used car
— selling your old car
— trading-in your old car
— trading your old car yourself
— leasing instead of buying
— borrowing money to pay for the car
— paying cash for the car

Then comes the biggest decision of all. "How much can I afford to pay for a car?" This decision will determine whether you buy a new or used car, whether you lease, or whether you keep the one you have. After determining the cost, you may decide to ride the bus! Many people prefer to use public transportation. Others "carpool" to afford to drive to work and school. The choice is yours. The options are many.

WHAT DOES IT COST? Owning a car is expensive. Before you decide to buy, sell, or trade, you should figure the costs. Car expenses are listed as:

— fixed
— flexible

Fixed costs are the same each year. Flexible costs are expenses that vary. The biggest expense is depreciation. It is the difference between what you pay for a car and what you receive when you sell it.

ACTIVITY 1

If you own a car this activity will be easy to complete. If you are planning to buy one, this will be a very important form to complete. If you don't own a car or plan to buy one, talk to another student who has a car. Ask for his/her help in completing this activity. Then fill in the information and figure the costs of owning a car. Write the answers in the Student Response Booklet.

	Cost per month	**Cost per year**
Depreciation		
Fixed Expenses Installment payment		
Insurance		
License fees, registration and taxes		
Garage rent or parking fees		
Other:		
Flexible Expenses Gasoline		
Oil		
Tires		
Maintenance (parts, repair, etc.)		
Miscellaneous		
Total Fixed and Flexible		

COST. The amount of money you can spend limits the choices on the kind of car you buy. Don't assume price dictates size. Some small cars cost more than bigger ones. Gas mileage must be one of the first considerations as gas prices go higher. But cost is the **first** consideration. Everyone knows that the sticker on the car is just a starting point. There are two important costs to consider at this point.

— dealer's cost
— discount price

Consumers Digest has written a Dealer's Cost Listing. This will help you add up all the costs on a new car. It will save you money when buying. Here are the simple steps to follow.

1. Determine the exact model you want to buy.
2. Write down the dealer's cost.
3. Check standard equipment to see what is included.
4. Decide on which accessories you want.
5. Determine the freight charges (also called destination charges). This should be listed on the window sticker.
6. Know the amount of the dealer's advertising charges. (This varies according to model, area and maker. It generally runs about $25 to $75.)
7. Add the new car preparation (sometimes called pre-delivery charges). This runs about $35 to $60.

When you add all these costs, you will know the complete cost of the car you have chosen. You must add any local and state taxes. The dealer will also want to make a profit. He will add a dealer's profit. The following chart will give you an idea of dealer profits.

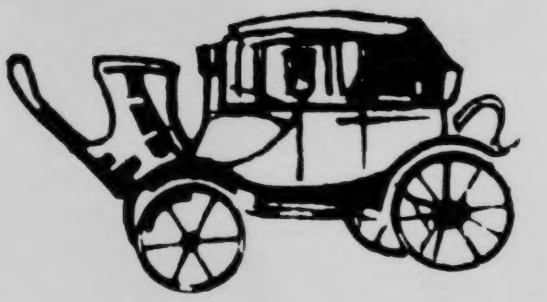
$150-$200:	subcompact cars - compact cars
$200-$250:	intermediates and some large cars
$250-$300:	large-size cars
$400-$450:	special cars such as Cadillac, Chevrolet Corvette or Lincoln Continental Mark VI.

Read such magazines as *Consumer Reports, Consumers Digest,* and *Changing Times* before buying a car. They give information on options and specifications. These price lists will save you money when buying a car.

If you have decided to consider a new car some orderly steps will help you.

- Decide the top dollar that you intend to spend. (If you wait until you get into the salesroom, you might have trouble resisting spending too much.)
- Select a dealer that you or your friends know. (Ask around about car dealers. Your friends and neighbors will be able to offer advice.)
- Go to the car showrooms. Look at all the cars.
- Read newspaper ads.
- Read magazine ads.
- Read the descriptions of the cars that interest you.

Next it is time to narrow your choices. Visit a few dealers. Don't plan to buy on the first trip. Don't take your checkbook this time. Remember, you are just looking. Don't get caught off guard and buy when under pressure.



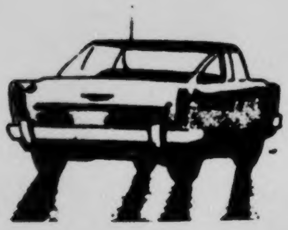
You are now ready to make a list of the cars that will fit your budget. You will be spending a lot of time in your car. Consider all the aspects. You may want to keep it for several years. So look ahead. Ask yourself some questions.

- Will I be using the car for vacationing?
- Will I use it as a second car?
- Will I use it for shopping, commuting, and local travel?
- Will I be taking long trips in the car?
- Will the family fit comfortably in the car?
- Will this car fit my needs?

After you have answered these questions — start making the list of cars to consider.

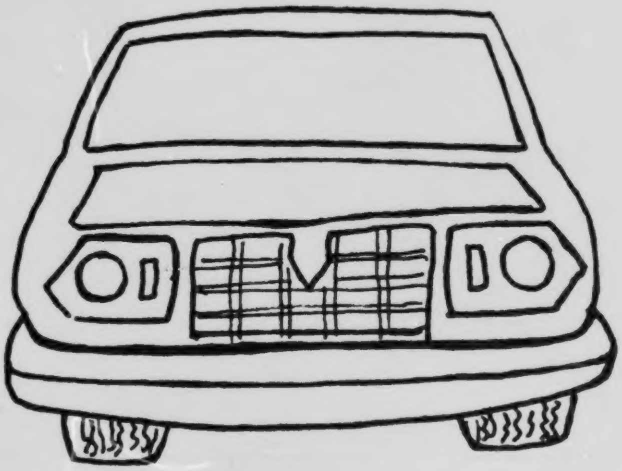
WHAT SIZE CAR SHOULD YOU BUY? There are four general car sizes. You must decide which size is right for you.

- **Subcompacts** are the smallest cars. Fuel economy is one reason to consider the subcompact. On the average the base subcompact will deliver over 25 miles per gallon of gas. A base car is usually one with a stick shift and none of the options. A subcompact car usually seats two adults in the front. There is little room in the back seat. They are especially suitable for town driving and short trips. They do not hold up well in accidents. Their biggest advantage is economy.

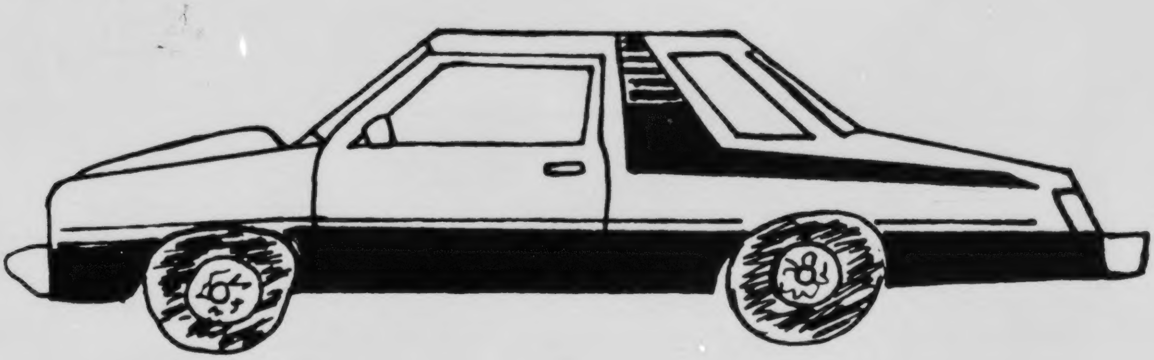


- **Compacts** are larger and higher-priced than subcompacts. They will usually seat four adults for short periods of driving time. Interior size, not over-all length or curb weight dictates the size of the car. What may appear to be a compact sized car today sometimes rates as an intermediate sized car. For example, the Buick Skylark and Olds Omega are called compact cars. The Chevy Citation and Pontiac Phoenix (GM's new X cars) are called Intermediate. The exterior body is much the same but the inside and the trunk have more room.

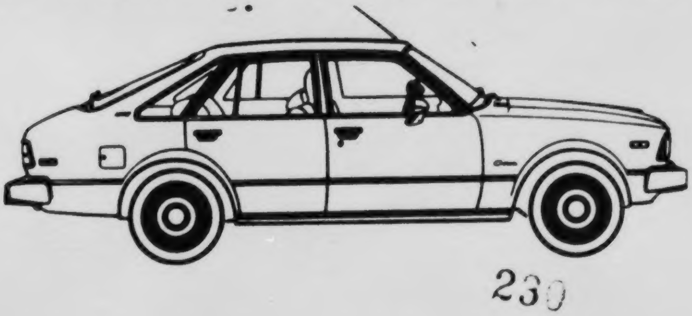
- **Intermediates** have lower mileage and are more expensive. They provide more room and comfort. This size car of the 1980's is likely to become the full-size car of the future. It usually provides more space and comfort. Six adults can be seated easily. The intermediate car performs well in city traffic and on long drives.



- **Full-size cars** are the most expensive models. They are the largest cars. They are the most expensive to own and operate. Many options are included. Gas mileage is usually poor, about 15 miles per gallon. Over all, the base weight has dropped and six-cylinder engines are able to power some of them. The gas tanks hold more gas and you may be able to drive farther on a tank of gas. They are very comfortable to ride in for long distances. But even with this advantages most people will not be able to afford the full-sized car in the future.

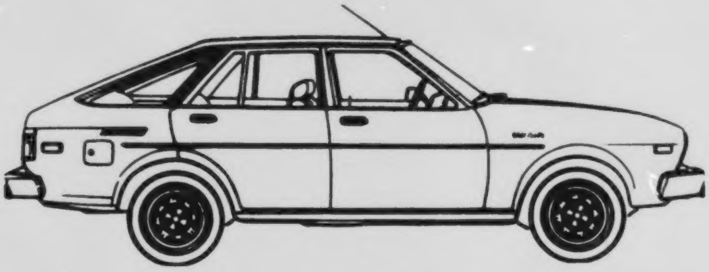


Foreign-made cars. There are many foreign made cars. Japan has made some very good cars. They are sold in the U.S. The **Toyota Corona** and the **Datsun 510** are two of the popular Japanese-made cars. Listed here are the advantages and disadvantages of these two cars.



TOYOTA CORONA

Advantages: Quiet; predictable normal handling; effective brakes; excellent bumper protection; clear displays; logical controls; effective climate control; much-better-than-average predicted repair incidence; easy-folding split rear seatback.	**Disadvantages:** Tight head room for tall occupants; uncomfortable rear seating; safety belts can't hold a child restraint device.



DATSUN 510

Advantages: Very high gasoline mileage; predictable normal handling; very good bumper protection; clear displays; easy-folding split rear seatback.	**Disadvantages:** Very awkward-shifting five-speed transmission; very cramped and uncomfortable rear seating; inconvenient rear safety belts; weak climate-control system.

BUYING A USED CAR. Sometimes the budget will not allow enough money to buy a new car. Sometimes there are other reasons why a person would prefer a used car. It might suit your needs as well as a new car. Some of the advantages of the used car might include:

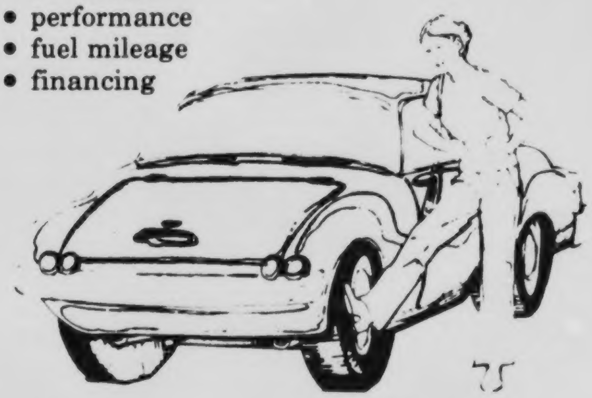
- — lower price tag
- — lower down payment
- — lower depreciation rate
- — lower excise tax
- — lower insurance rates

THE UNITED STATES OF AMERICA
IN GOD WE TRUST
UNITED STATES OF AMERICA
L 13591471 C
L13591471 C
TWENTY
12

Wise car shopping begins with making a decision about the make and model and kind of car you want — new or used. If you know what you can afford before you begin shopping, you will make fewer mistakes.

A **used** car becomes the **right** buy when it will perform the same things as a new one. The determining factors are the car's:

- condition
- performance
- fuel mileage
- financing



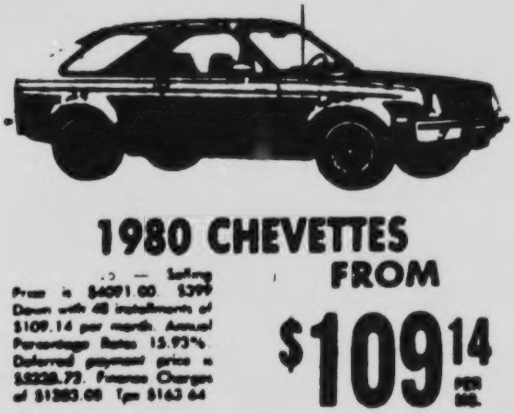
A used car that has been properly cared for can be good for many more miles. Knowing the previous owner can be important. Generally women take better care of cars than men. They are less likely to hot-rod. They are

more likely to keep it clean. Women also take more pains to make sure their car is in good condition. They are more afraid of breakdowns.

When buying a used car, give careful consideration to the cost of the car. The price is determined by at least four things.

- The book value. (The Black Book and NADA Book are reliable.)
- The condition of the car and the extras.
- The profit required by the dealer — or seller. He may want from $200 to $900.
- What the market will bear. With today's fuel situation small cars that get high fuel mileage will not get the discount offered on a gas-guzzler.

The over-all condition of the car is the most important thing to consider. No matter how long you keep the car, you will want to trade it in someday. It is always wise to buy a popular car that looks good and IS GOOD!



UNDERSTANDING THE ADS YOU READ. You need to read ads very carefully. You also need to understand what you have read. Read the ad for the 1980 Chevette. Does it really tell you everything you need to know?

If you paid **cash** for this car, you would add the selling price to the tax listed.

Selling Price	$4091.00
Tax	163.64
Total cash price	$4254.64

The **deferred** price is the selling price of $4091.00, less the down payment of $399.00, plus the finance charge of $1383.08 and the tax of $163.64.

Selling Price	$4091.00
Down Payment	- 399.00
	$3692.00
Finance charge	+ 1383.08
Tax	+ 163.64
	$5238.72

This means you will be paying $5238.72 over a four year period. You have already paid $399.00 down payment. You must add this amount to the deferred payment price to find the actual cost of the car.

Deferred payment price	$5238.72
Down payment	399.00
Actual price of car	$5637.72

The first thing that catches your eye is the monthly payment of $109.14 per month. The ad states that this is for 48 months. There are 12 months in a year. 12 x 4 = 48. This means that you will be paying $109.14 a month for four years.

A checklist will help when you get ready to buy a car. Follow the list you have made for yourself. REMEMBER, when a deal on a used car looks too good to be true, it probably is!! Don't waste your time on a car that has major problems. Most people cannot work on cars themselves. They have to take them to a mechanic. Here are some things to do when checking out a used car.

a. The body

Are there dents? Is the paint flaking? Are there bad rust spots? Are there any broken windows? Is the windshield wiper working? Do the doors, trunk, and hood close right? Do the windows work?

b. The tires, wheels, and shocks

Are the tires worn down? Are the tires uneven or worn on one side? Do the front or back wheels lean? Is there a lot of free play in the front wheels? Does the car rock too much?

c. The engine block

Is the block cracked or welded? Are there oil leaks? Is the radiator water rusty or oily? Does the dipstick show heavy oil?

These are just a few of the things you or the mechanic should check.

TEST-DRIVING each car you are interested in is the next step. Tell the dealer you would like to drive the car. Some will let you go alone. Others might want to ride with you. These are points to check.

- Ride, handling, braking. Drive at normal speeds on the kinds of road you would normally use. Look for annoying things that might make the car unacceptable.
- Controls. Work all of the controls. Will you be able to adjust them while driving? Are they within reach?
- Comfort. Make sure there is room for your legs. Your size will have an effect on the size car you buy. Is there room for your head and shoulders? Are the seats comfortable to sit in? Would you be able to sit comfortably for several hours?
- Acceleration. Accelerate at normal speeds. You will want to know whether the power is enough to pull away from stoplights and keep up with traffic.
- Soundproofing. This is something that is often overlooked. Listen for road noise, wind. Listen for body noises. Play the radio. Use the air-conditioner. Try the heater to see if it works.

You still are not ready to buy on the spot. Go home and think about the pros and cons of each car you have looked at or test-driven. After thinking about all of the choices, you can then buy with confidence.

SELLING YOUR OLD CAR. If you decide to sell your car there are some steps that will help you get the most money for it.

- Set the price according to the used-car guide.
- Advertise in the paper or tell your friends.
- Clean the car inside and outside.
- Repair worn hoses and tune up the engine.
- Clean the engine and remove the dirt and oil.
- Check with the motor vehicle department for the legalities.
- Accept only a certified check or bank check.
- Take off your license plates and call the insurance company.

FINANCING YOUR CAR. Shop for financing just as you shop for a car. Cars can be financed through:

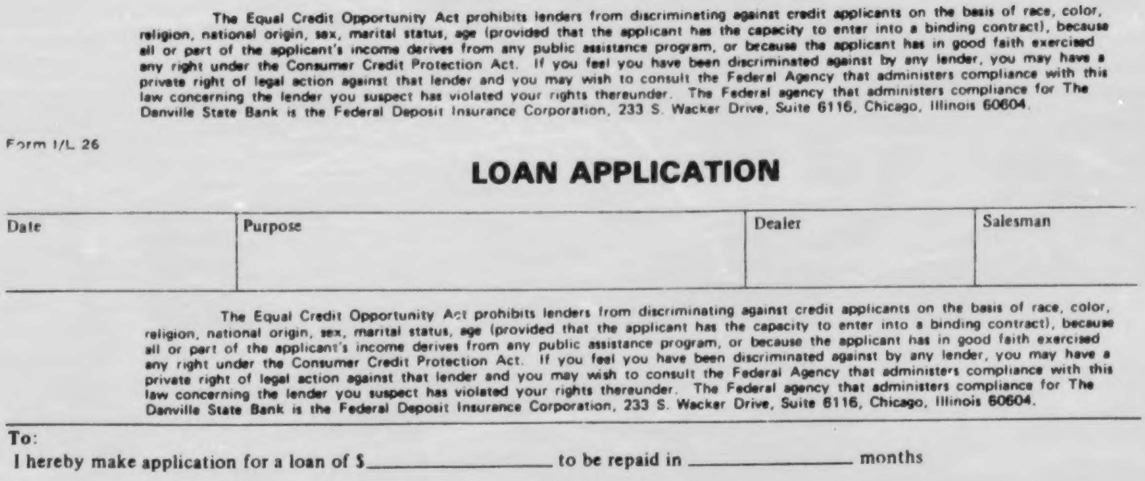
— dealers
— finance companies
— credit unions
— banks

It is usually best to go to your banker. He knows you. He can offer the best advice. Your banker will know the value of the car. He will know the value of your "trade-in" if you have one. He may even know the dealer and his reputation.

When applying for a loan, ask for the bank manager, or person in charge of loans. Take the following information with you.

1. Social Security card
2. Net and gross income
3. List of current expenses
4. References
5. Bank account numbers (checking, savings)
6. List of debts or loans you are paying on
7. Credit cards

Your ability to borrow money will depend upon your: income, credit standing, and ability to repay the loan. The form you will fill out when applying for a loan will look like this.



The Equal Credit Opportunity Act prohibits lenders from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. If you feel you have been discriminated against by any lender, you may have a private right of legal action against that lender and you may wish to consult the Federal Agency that administers compliance with this law concerning the lender you suspect has violated your rights thereunder. The Federal agency that administers compliance for The Danville State Bank is the Federal Deposit Insurance Corporation, 233 S. Wacker Drive, Suite 6116, Chicago, Illinois 60604.

Form I/L 26

LOAN APPLICATION

Date	Purpose	Dealer	Salesman

The Equal Credit Opportunity Act prohibits lenders from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program, or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. If you feel you have been discriminated against by any lender, you may have a private right of legal action against that lender and you may wish to consult the Federal Agency that administers compliance with this law concerning the lender you suspect has violated your rights thereunder. The Federal agency that administers compliance for The Danville State Bank is the Federal Deposit Insurance Corporation, 233 S. Wacker Drive, Suite 6116, Chicago, Illinois 60604.

To:

I hereby make application for a loan of $__________ to be repaid in __________ months

WARRANTIES. Warranties differ from manufacturer to manufacturer. The most common is for 12 months or 12,000, whichever comes first. Some manufacturers go further. If you are not clear on anything in the warranty, have it explained to you.

Basically, there are two types: full and limited.

- **Full warranty** means: a defective product will be fixed (or replaced free) within a reasonable time after you complain of the defect. If it can't be fixed, you get your money back or a new car.
- **Limited warranty** gives you less than what a full warranty gives. It may cover only certain parts of a product. It may cover only parts, not labor. It may cover only the first purchaser or allow only a pro-rated refund, based on how long you used the product.

A product can carry more than one written warranty. It can have a **full warranty** on part of the product. It can have a **limited warranty** on the rest. Most car warranties are **limited**, not **full.**

- Extended warranties cost more. You should be aware that this is **not** a warranty at all. It is really a *service contract.* A warranty comes with a product at **no** extra charge. A service warranty (sometimes called service contract) gives extra protection. But you pay **an extra fee.** Be sure you understand the "extended warranty," or service contract. Sometimes it covers a certain brand of oil when you have your car serviced. There may be exclusions — things that the service contract doesn't cover.

You have the right to examine the warranties. You can compare and even shop for the best warranty. You can write for free copies about the law. Write to:

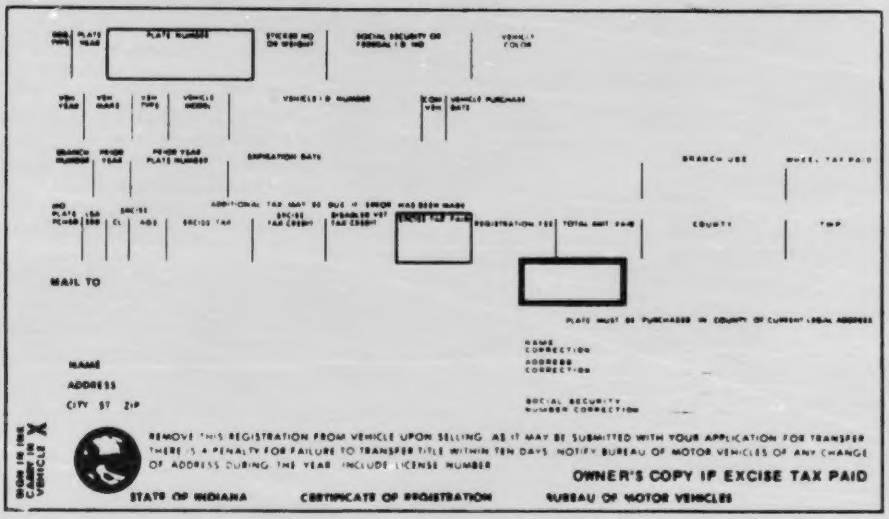
Federal Trade Commission, Warranties
Washington, D.C. 20580

REGISTRATION. Most motor vehicles (and trailers) operated on Indiana highways must be registered. There are some exceptions such as:

- farm tractors traveling between fields
- fire trucks owned by State of Indiana and used for fire protection
- road construction vehicles
- maintenance machinery
- well-boring apparatus; ditch-digging equipment

The form prepared in the branch license office looks like this form.

INDIANA



MAIL TO

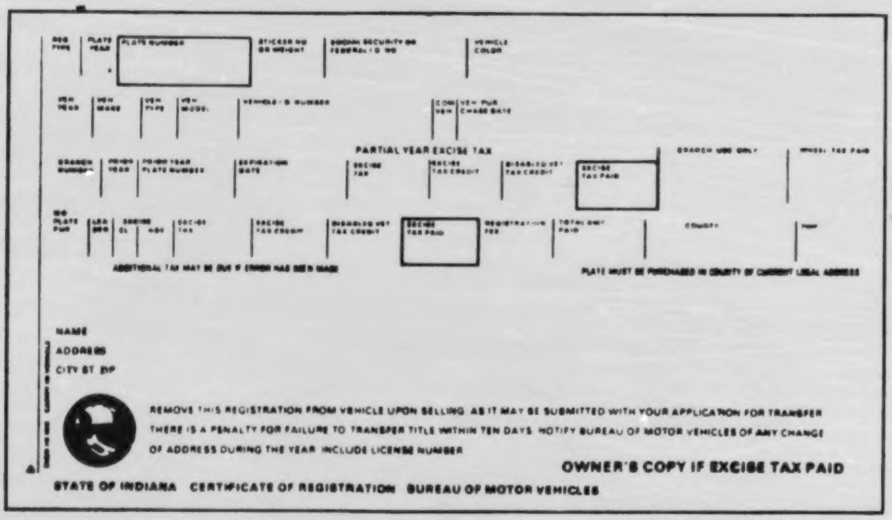
NAME
ADDRESS
CITY ST ZIP

REMOVE THIS REGISTRATION FROM VEHICLE UPON SELLING AS IT MAY BE SUBMITTED WITH YOUR APPLICATION FOR TRANSFER THERE IS A PENALTY FOR FAILURE TO TRANSFER TITLE WITHIN TEN DAYS NOTIFY BUREAU OF MOTOR VEHICLES OF ANY CHANGE OF ADDRESS DURING THE YEAR INCLUDE LICENSE NUMBER

OWNER'S COPY IF EXCISE TAX PAID

STATE OF INDIANA CERTIFICATE OF REGISTRATION BUREAU OF MOTOR VEHICLES

Application for and Certificate of Registration preprinted and mailed to registrant
(actual size 7⅞x4)



PARTIAL YEAR EXCISE TAX

NAME
ADDRESS
CITY ST ZIP

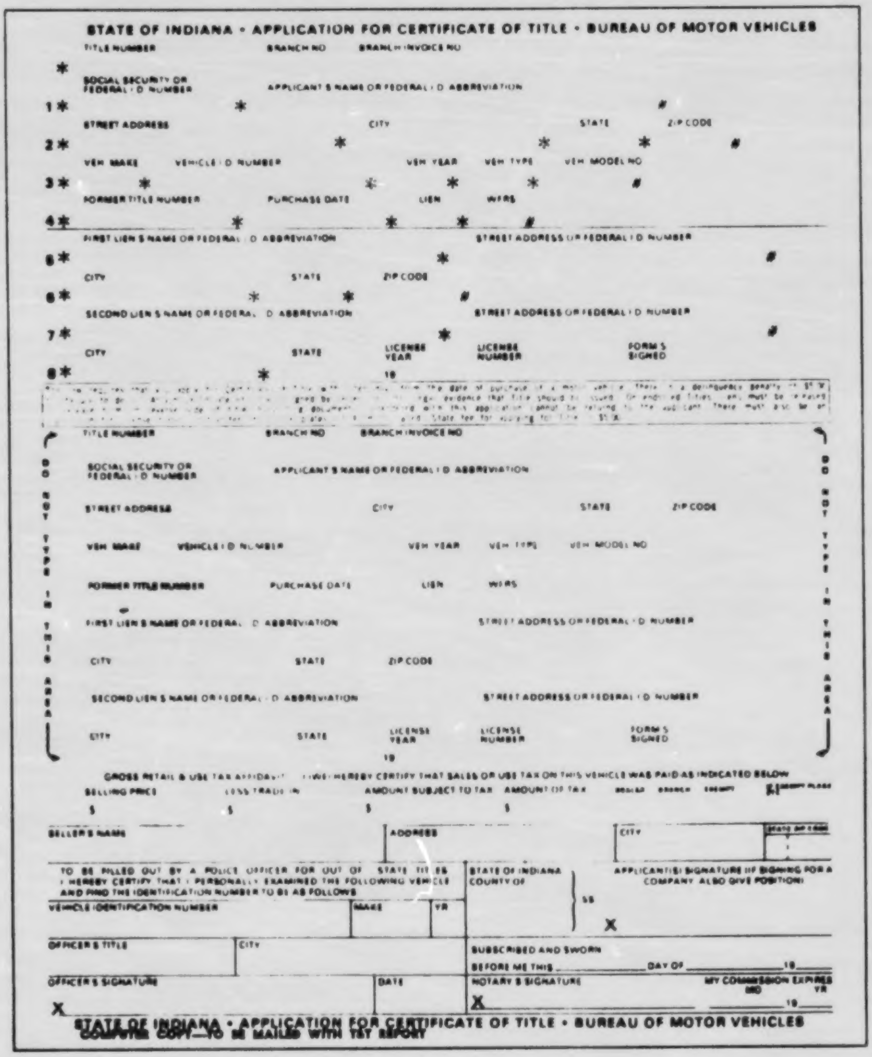
REMOVE THIS REGISTRATION FROM VEHICLE UPON SELLING AS IT MAY BE SUBMITTED WITH YOUR APPLICATION FOR TRANSFER THERE IS A PENALTY FOR FAILURE TO TRANSFER TITLE WITHIN TEN DAYS NOTIFY BUREAU OF MOTOR VEHICLES OF ANY CHANGE OF ADDRESS DURING THE YEAR INCLUDE LICENSE NUMBER

OWNER'S COPY IF EXCISE TAX PAID

STATE OF INDIANA CERTIFICATE OF REGISTRATION BUREAU OF MOTOR VEHICLES

Application for Certificate of Title. To obtain a title for your car, you must go to one of the license branches in Indiana. A form called, *Application for Certificate of Title,* must be filled out. You do not have to do this. They will fill it out for you. The fee is usually $5.00. The form will look like this.

INDIANA



STATE OF INDIANA • APPLICATION FOR CERTIFICATE OF TITLE • BUREAU OF MOTOR VEHICLES

TITLE NUMBER BRANCH NO BRANCH INVOICE NO

SOCIAL SECURITY OR FEDERAL I D NUMBER APPLICANT'S NAME OR FEDERAL I D ABBREVIATION

1

STREET ADDRESS CITY STATE ZIP CODE

2

VEH MAKE VEHICLE I D NUMBER VEH YEAR VEH TYPE VEH MODEL NO

3

FORMER TITLE NUMBER PURCHASE DATE LIEN WFRS

4

FIRST LIEN'S NAME OR FEDERAL I D ABBREVIATION STREET ADDRESS OR FEDERAL I D NUMBER

5

CITY STATE ZIP CODE

6

SECOND LIEN'S NAME OR FEDERAL I D ABBREVIATION STREET ADDRESS OR FEDERAL I D NUMBER

7

CITY STATE LICENSE YEAR LICENSE NUMBER FORM S SIGNED

8 19

DO NOT TYPE IN THIS AREA

TITLE NUMBER BRANCH NO BRANCH INVOICE NO

SOCIAL SECURITY OR FEDERAL I D NUMBER APPLICANT'S NAME OR FEDERAL I D ABBREVIATION

STREET ADDRESS CITY STATE ZIP CODE

VEH MAKE VEHICLE I D NUMBER VEH YEAR VEH TYPE VEH MODEL NO

FORMER TITLE NUMBER PURCHASE DATE LIEN WFRS

FIRST LIEN'S NAME OR FEDERAL I D ABBREVIATION STREET ADDRESS OR FEDERAL I D NUMBER

CITY STATE ZIP CODE

SECOND LIEN'S NAME OR FEDERAL I D ABBREVIATION STREET ADDRESS OR FEDERAL I D NUMBER

CITY STATE LICENSE YEAR LICENSE NUMBER FORM S SIGNED

19

GROSS RETAIL & USE TAX AFFIDAVIT I (WE) HEREBY CERTIFY THAT SALES OR USE TAX ON THIS VEHICLE WAS PAID AS INDICATED BELOW

SELLING PRICE	LESS TRADE IN	AMOUNT SUBJECT TO TAX	AMOUNT OF TAX
$	$	$	$

SELLER'S NAME ADDRESS CITY

TO BE FILLED OUT BY A POLICE OFFICER FOR OUT OF STATE TITLES
I HEREBY CERTIFY THAT I PERSONALLY EXAMINED THE FOLLOWING VEHICLE AND FIND THE IDENTIFICATION NUMBER TO BE AS FOLLOWS

VEHICLE IDENTIFICATION NUMBER MAKE YR

OFFICER'S TITLE CITY

OFFICER'S SIGNATURE DATE

X

STATE OF INDIANA
COUNTY OF } SS

APPLICANT(S) SIGNATURE (IF SIGNING FOR A COMPANY ALSO GIVE POSITION)

X

SUBSCRIBED AND SWORN

BEFORE ME THIS ____________ DAY OF ______________ 19____

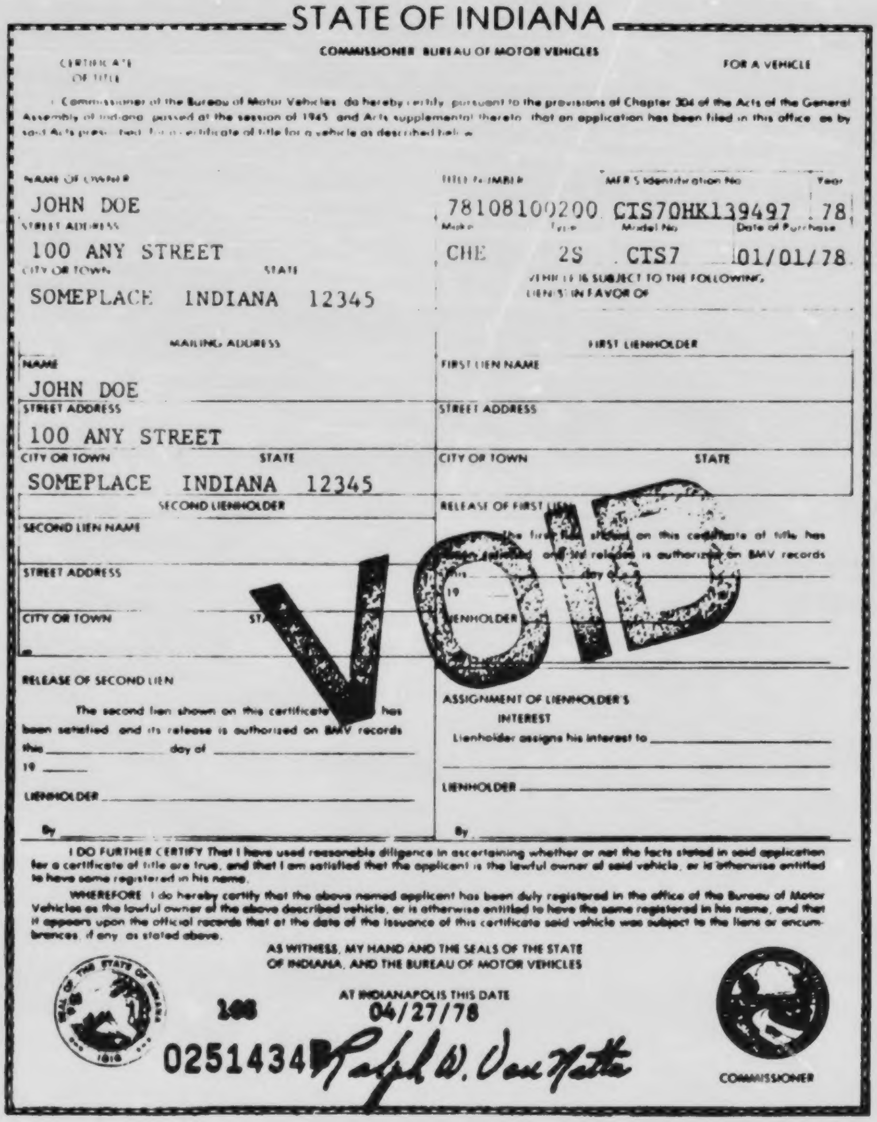
NOTARY'S SIGNATURE MY COMMISSION EXPIRES MO YR

X ______________________ ____________ 19____

STATE OF INDIANA • APPLICATION FOR CERTIFICATE OF TITLE • BUREAU OF MOTOR VEHICLES
COMPUTER COPY—TO BE MAILED WITH TST REPORT

Certificate of Title. After filling out the Application for *Certificate of Title*, the title will be applied for by the people at the branch. It will be printed by the central office of the Bureau of Motor Vehicles at Indianapolis. All motor vehicles must be titled. This title shows who owns the vehicle. It must be kept in a safe place. It should not be kept in the car. If the car is stolen you cannot prove that it belongs to you. If you borrow money to pay for the car, the lending agency will usually hold the title until the car is paid for in full. The *Certificate of Title* will look like this form.

INDIANA



STATE OF INDIANA

COMMISSIONER BUREAU OF MOTOR VEHICLES

CERTIFICATE OF TITLE

FOR A VEHICLE

I Commissioner of the Bureau of Motor Vehicles do hereby certify pursuant to the provisions of Chapter 304 of the Acts of the General Assembly of Indiana passed at the session of 1945 and Acts supplemental thereto that an application has been filed in this office as by said Acts prescribed for a certificate of title for a vehicle as described below

NAME OF OWNER
JOHN DOE
STREET ADDRESS
100 ANY STREET
CITY OR TOWN STATE
SOMEPLACE INDIANA 12345

TITLE NUMBER	MFR'S Identification No		Year
78108100200	CTS70HK139497		78
Make	**Type**	**Model No**	**Date of Purchase**
CHE	2S	CTS7	01/01/78

VEHICLE IS SUBJECT TO THE FOLLOWING LIEN(S) IN FAVOR OF

MAILING ADDRESS
NAME
JOHN DOE
STREET ADDRESS
100 ANY STREET
CITY OR TOWN STATE
SOMEPLACE INDIANA 12345

FIRST LIENHOLDER
FIRST LIEN NAME
STREET ADDRESS
CITY OR TOWN STATE

SECOND LIENHOLDER
SECOND LIEN NAME
STREET ADDRESS
CITY OR TOWN STATE

RELEASE OF FIRST LIEN

The first lien shown on this certificate of title has been satisfied and its release is authorized on BMV records this ____ day of ____
19 ____
LIENHOLDER ____

VOID

RELEASE OF SECOND LIEN

The second lien shown on this certificate has been satisfied and its release is authorized on BMV records this ____ day of ____
19 ____
LIENHOLDER ____
By ____

ASSIGNMENT OF LIENHOLDER'S INTEREST

Lienholder assigns his interest to ____
____
LIENHOLDER ____
By ____

I DO FURTHER CERTIFY That I have used reasonable diligence in ascertaining whether or not the facts stated in said application for a certificate of title are true, and that I am satisfied that the applicant is the lawful owner of said vehicle, or is otherwise entitled to have same registered in his name.

WHEREFORE I do hereby certify that the above named applicant has been duly registered in the office of the Bureau of Motor Vehicles as the lawful owner of the above described vehicle, or is otherwise entitled to have the same registered in his name, and that it appears upon the official records that at the date of the issuance of this certificate said vehicle was subject to the liens or encumbrances, if any, as stated above.

AS WITNESS, MY HAND AND THE SEALS OF THE STATE OF INDIANA, AND THE BUREAU OF MOTOR VEHICLES

AT INDIANAPOLIS THIS DATE
04/27/78

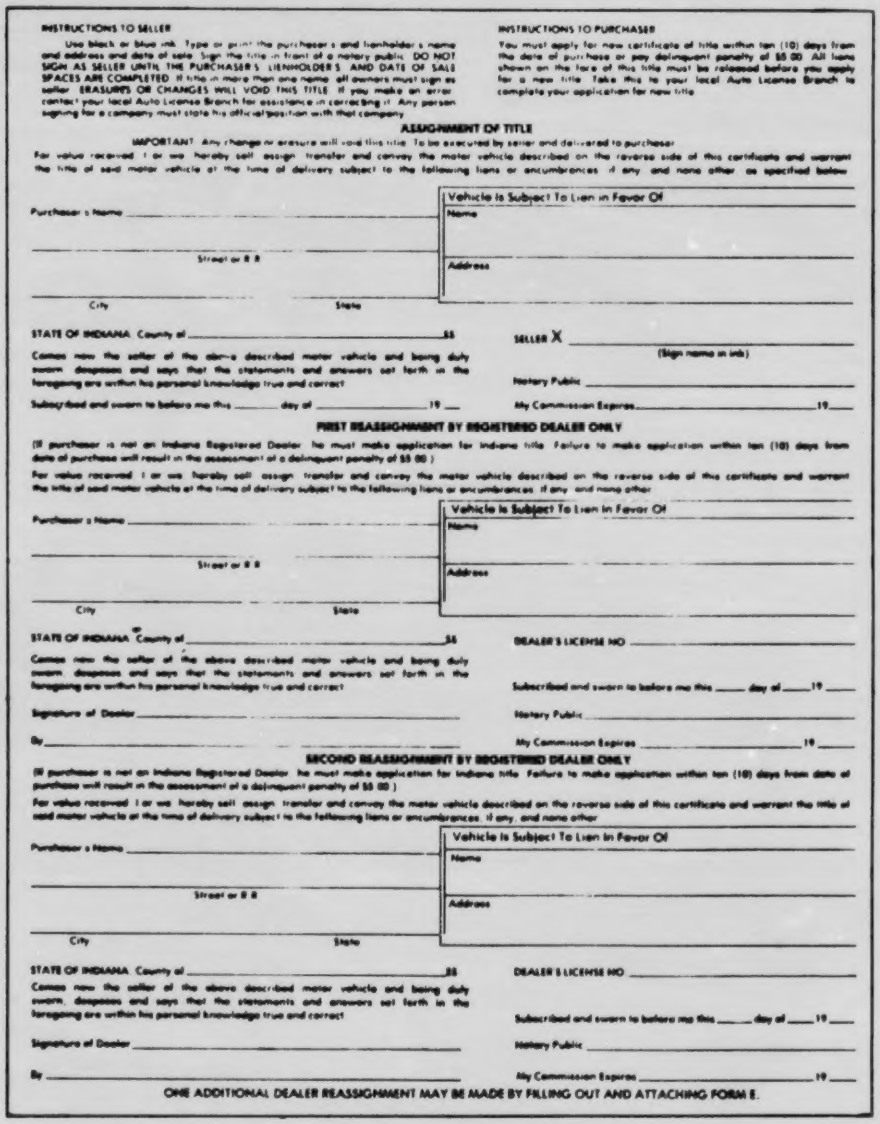
168

0251434 Ralph W. Van Natta

COMMISSIONER

This is the reverse side (back side) of the form called the *Certificate of Title.*

INDIANA



INSTRUCTIONS TO SELLER

Use black or blue ink. Type or print the purchaser's and lienholder's name and address and date of sale. Sign the title in front of a notary public. DO NOT SIGN AS SELLER UNTIL THE PURCHASER'S, LIENHOLDER'S AND DATE OF SALE SPACES ARE COMPLETED. If title in more than one name, all owners must sign as seller. ERASURES OR CHANGES WILL VOID THIS TITLE. If you make an error, contact your local Auto License Branch for assistance in correcting it. Any person signing for a company must state his official position with that company.

INSTRUCTIONS TO PURCHASER

You must apply for new certificate of title within ten (10) days from the date of purchase or pay delinquent penalty of $5.00. All liens shown on the face of this title must be released before you apply for a new title. Take this to your local Auto License Branch to complete your application for new title.

ASSIGNMENT OF TITLE

IMPORTANT: Any change or erasure will void this title. To be executed by seller and delivered to purchaser.

For value received, I or we, hereby sell, assign, transfer and convey the motor vehicle described on the reverse side of this certificate and warrant the title of said motor vehicle at the time of delivery subject to the following liens or encumbrances, if any, and none other, as specified below.

Purchaser's Name ____________________

____________________ Street or R.R.

City ____________________ State

Vehicle Is Subject To Lien in Favor Of
Name
Address

STATE OF INDIANA, County of ____________________ SS

Comes now the seller of the above described motor vehicle and being duly sworn, deposes and says that the statements and answers set forth in the foregoing are within his personal knowledge true and correct.

Subscribed and sworn to before me this ______ day of ____________ 19 ___

SELLER X ____________________
(Sign name in ink)

Notary Public ____________________

My Commission Expires ____________________ 19 ___

FIRST REASSIGNMENT BY REGISTERED DEALER ONLY

(If purchaser is not an Indiana Registered Dealer, he must make application for Indiana title. Failure to make application within ten (10) days from date of purchase will result in the assessment of a delinquent penalty of $5.00.)

For value received, I or we, hereby sell, assign, transfer and convey the motor vehicle described on the reverse side of this certificate and warrant the title of said motor vehicle at the time of delivery subject to the following liens or encumbrances, if any, and none other.

Purchaser's Name ____________________

____________________ Street or R.R.

City ____________________ State

Vehicle Is Subject To Lien In Favor Of
Name
Address

STATE OF INDIANA, County of ____________________ SS

Comes now the seller of the above described motor vehicle and being duly sworn, deposes and says that the statements and answers set forth in the foregoing are within his personal knowledge true and correct.

Signature of Dealer ____________________

By ____________________

DEALER'S LICENSE NO. ____________________

Subscribed and sworn to before me this ______ day of ______ 19 ___

Notary Public ____________________

My Commission Expires ____________________ 19 ___

SECOND REASSIGNMENT BY REGISTERED DEALER ONLY

(If purchaser is not an Indiana Registered Dealer, he must make application for Indiana title. Failure to make application within ten (10) days from date of purchase will result in the assessment of a delinquent penalty of $5.00.)

For value received, I or we, hereby sell, assign, transfer and convey the motor vehicle described on the reverse side of this certificate and warrant the title of said motor vehicle at the time of delivery subject to the following liens or encumbrances, if any, and none other.

Purchaser's Name ____________________

____________________ Street or R.R.

City ____________________ State

Vehicle Is Subject To Lien In Favor Of
Name
Address

STATE OF INDIANA, County of ____________________ SS

Comes now the seller of the above described motor vehicle and being duly sworn, deposes and says that the statements and answers set forth in the foregoing are within his personal knowledge true and correct.

Signature of Dealer ____________________

By ____________________

DEALER'S LICENSE NO. ____________________

Subscribed and sworn to before me this ______ day of ______ 19 ___

Notary Public ____________________

My Commission Expires ____________________ 19 ___

ONE ADDITIONAL DEALER REASSIGNMENT MAY BE MADE BY FILLING OUT AND ATTACHING FORM E.

(reverse side Certificate of Title)

CAR CARE!

A few simple basics will keep your car looking good. Any car, given proper care will last for years. Preventive maintenance is cheaper than a breakdown. Keeping your present car is less costly than buying a new one. You don't have to be a mechanic to keep your car running well. You do **need** to have it checked on a regular basis.

TOMORROW
and tomorrow
and tomorrow

Before you do anything you should read the manual. All manuals tell about the maintenance schedule and how to keep the car in top shape. The manual also gives other helpful hints — such as driving skills.

CHECK LIST FOR THE MECHANIC.

Some things should be left for the experts. Here is a list of things your mechanic should check regularly on your car.

- hoses
- wires
- battery
- belts
- fluids
- tires

If necessary, and if you are "mechanically inclined" yourself, you could do the above checklist. However, it is recommended that your mechanic attend to these trouble spots.

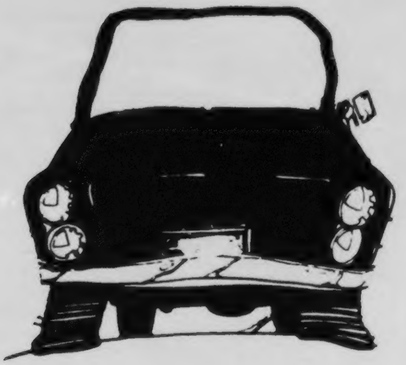
- fluid levels in the brake cylinder
- fluid levels in the automatic transmission
- oil level in the manual transmission
- engine oil and filter (this should be a regular check-up)
- gas filter or clogged PVC valve (Positive Crankcase Ventilation)
- air filters

No matter how well you care for your car, some things will wear out. If you keep the car long enough you can expect to replace some or all of the following:

- battery
- parts of the exhaust system
- carburetor
- alternator
- coil
- distributor
- timing gear chain
- water pump
- fuel pump

A clean car lasts longer. It pays to wash the car often. Do it by hand. No automatic car wash can do as good a job as you can. Cleaning the car by hand saves the car's finish. Washing by hand gets you close to the surface. You can see the chips and scratches. Use a good car wash soap that is gentle on the finish. Flood the surface with water. Presoak dirty areas. Wash one section at a time. Clean the underside of the car. For chips and scratches use primer and touch-up paint. Patience is the key to a good job.

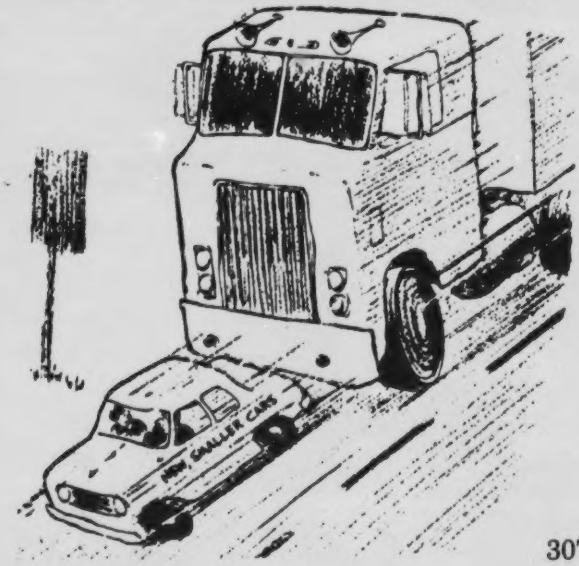
Remember good maintenance can add thousands of miles of wear for your car. The biggest items — the transmission, engine, and



differential should last the lifetime of the car if proper care is given. Total your bills at the end of the year. You will probably learn that about $500 a year will keep your car in good repair.

In summary, let's look at the steps Joel Smith followed when he decided to buy a new car.

1. He began looking at many new cars.
2. He went to several new car dealers.
3. He went to dealers who sold both new and used cars.
4. He figured the cost of owning and operating a car now.
5. He decided to sell his own car — rather than trade-in.
6. He read new car warranties on various cars.
7. He made a decision on the particular car he wanted.
8. He made a list of the base price of the car.
9. He figured the price of the options he wanted on the car.
10. He chose the dealer where he would buy the car.
11. He test drove the car.
12. He and the dealer arrived at a price.
13. He went to the bank to get a loan.
14. He sold his own car.
15. He went to the dealer to get the new car.
16. He made sure the car was exactly what he ordered — options and all. He checked carefully the receipted bill-of-sale.
17. He went to the license branch to obtain the Certificate of Title. He obtained his license plates at the same time.
18. He called his insurance company to transfer the insurance to his new car.
19. He drove his car around the block six times — for enjoyment. What a nice feeling to own a new car — he thought.



ACTIVITY 2

Look at the chart. Then answer the following questions. Write the answers in the Student Response Booklet.

	Toyota Corona Liftback	Datsun 510 Hatchback
MANUFACTURERS' STICKER PRICES [A]		
Base price (4-door)	$6699	$5889
Comparable price (with air-conditioning and AM/FM stero radio)	$7314[B]	$6711
FUEL ECONOMY		
EPA estimates (city/highway mpg)		
195-mile test trip (mpg)		
City-traffic driving (mpg)	25	35
Expressway (55-mph) driving (mpg)	35	50
Advertised fuel refill capacity		

1. Compare the base price of the **Toyota** with the **Datsun.**
   What is the difference in price?
2. What is the EPA of the Toyota — in city traffic and expressway?
3. How much would the Datsun cost with air and radio?
4. How much would you save if you bought the Datsun without air and radio?

Check your answers with the Answer Key. It is on the last page of the packet.

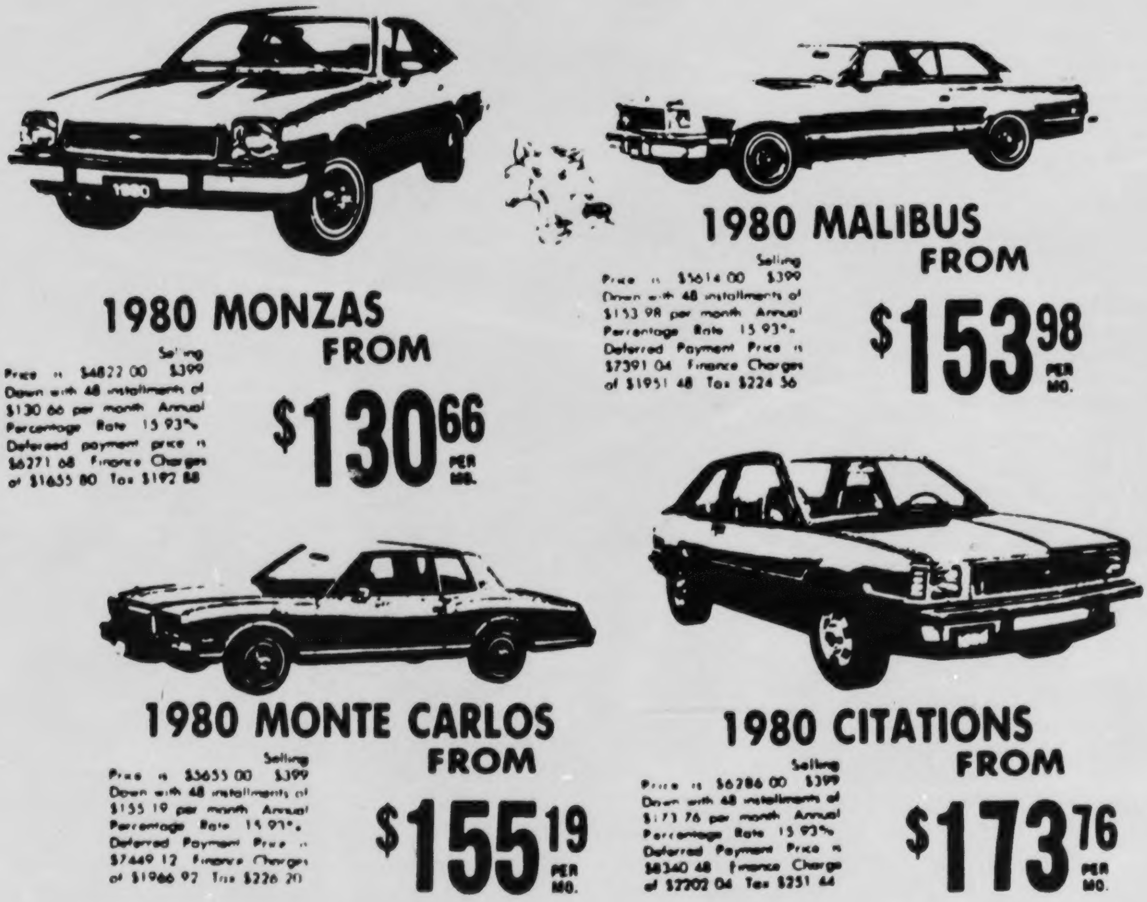
ACTIVITY 3

Tom and his wife had been looking for a new car. They visited a dealer that sold the Toyota and the Datsun. Read the following information. Decide which car they should buy. Maybe they should not buy either one of these cars. Tell your reasons. Write the answer in the Student Response Booklet.

> Tom is 6 ft. 4 in. tall. His wife cannot drive a car without an automatic transmission. Their three children are quite rowdy when riding in an automobile. Gasoline mileage is important. Most of the driving is in the city. They would also like a car with storage room for luggage. They have a trade-in and can afford payments of about $130.00 per month.

ACTIVITY 4

Choose 2 cars from the following ad. Show how to figure the cost of each car. Complete your work in the Student Response Booklet.



1980 MONZAS
FROM
$130 66 PER MO.

Selling Price is $4822 00 $399 Down with 48 installments of $130 66 per month Annual Percentage Rate 15 93% Deferred payment price is $6271 68 Finance Charges of $1655 80 Tax $192 88

1980 MALIBUS
FROM
$153 98 PER MO.

Selling Price is $5614 00 $399 Down with 48 installments of $153 98 per month Annual Percentage Rate 15 93% Deferred Payment Price is $7391 04 Finance Charges of $1951 48 Tax $224 56

1980 MONTE CARLOS
FROM
$155 19 PER MO.

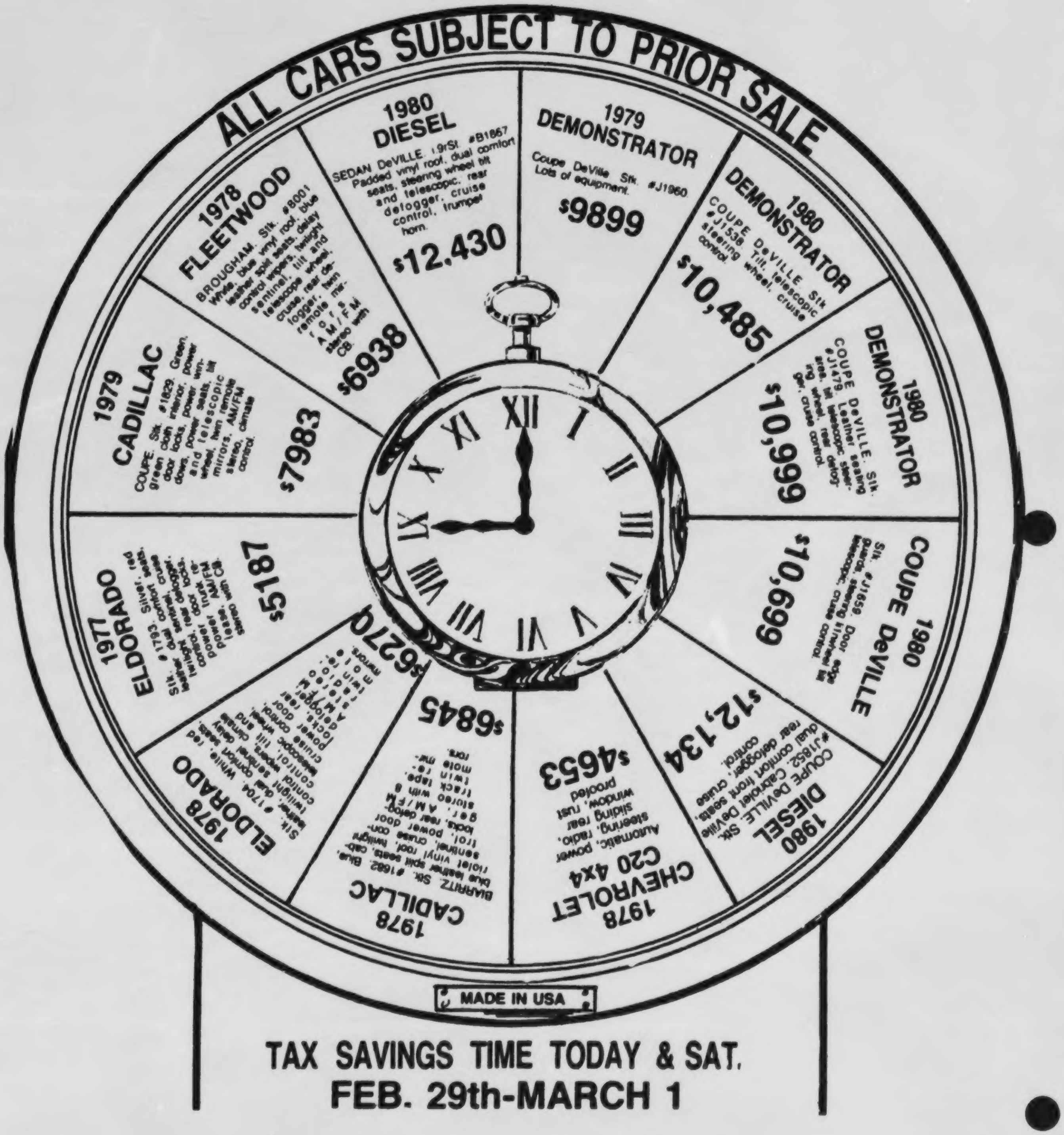
Selling Price is $5655 00 $399 Down with 48 installments of $155 19 per month Annual Percentage Rate 15 93% Deferred Payment Price is $7449 12 Finance Charges of $1966 92 Tax $226 20

1980 CITATIONS
FROM
$173 76 PER MO.

Selling Price is $6286 00 $399 Down with 48 installments of $173 76 per month Annual Percentage Rate 15 93% Deferred Payment Price is $8340 48 Finance Charge of $2202 04 Tax $251 44

ACTIVITY 5

Read this newspaper ad. List the name of the car that costs the most. List the options. Check your answers.



ALL CARS SUBJECT TO PRIOR SALE

1980 DIESEL
SEDAN DeVILLE. 1.9rSt. #B1867 Padded vinyl roof, dual comfort seats, steering wheel tilt and telescopic, rear defogger, cruise control, trumpet horn.
$12,430

1979 DEMONSTRATOR
Coupe DeVille Stk. #J1960. Lots of equipment.
$9899

1980 DEMONSTRATOR
COUPE DeVILLE Stk #J1538 Tilt, telescopic steering wheel, cruise control
$10,485

1980 DEMONSTRATOR
COUPE DeVILLE. Stk. #J1479. Leather seating area, tilt telescopic steering wheel, rear defogger, cruise control.
$10,999

1980 COUPE DeVILLE
Stk. #J1659. Door edge guards, steering wheel tilt telescopic, cruise control.
$10,699

1980 DIESEL
COUPE DeVILLE. Stk. #J1852. Cabriolet DeVille dual comfort front seats, rear defogger, cruise control.
$12,134

1978 CHEVROLET C20 4x4
Automatic, power steering, radio, sliding rear window, rust proofed
$4653

1978 CADILLAC
BIARRITZ. Stk. #1682. Blue, blue leather split seats, cabriolet vinyl roof, twilight sentinel, cruise control, power door locks, rear defogger, AM/FM stereo with 8 track tape, twin remote mirrors.
$6845

1978 ELDORADO
Stk. #1704. White, red leather, dual comfort seats, twilight sentinel delay control wipers, climate control, tilt and telescopic wheel, cruise control, power door locks, rear defogger, AM/FM stereo radio, twin remote mirrors.
$6270

1977 ELDORADO
Stk. #1793. Silver, red leather, dual comfort seats, twilight sentinel, cruise control, rear defogger, power door locks, power trunk release, AM/FM stereo with CB.
$5187

1979 CADILLAC
COUPE. Stk. #1829. Green, green cloth interior, power door locks, power windows, power seats, tilt and telescopic wheel, twin remote mirrors, AM/FM stereo, climate control.
$7983

1978 FLEETWOOD
BROUGHAM. Stk. #8001 White, blue vinyl roof, blue leather split seats, delay control wipers, twilight sentinel, tilt and telescope wheel, cruise, rear defogger, twin remote mirrors, AM/FM stereo with CB.
$6938

TAX SAVINGS TIME TODAY & SAT.
FEB. 29th-MARCH 1

214

ACTIVITY 6

This chart lists information about **subcompact** cars. Read the list. Answer these questions in the Student Response Booklet.

1. Compare the curb weight of the Chevette and the Pinto.
2. Compare the fuel capacity of the Capri and the Horizon.
3. Compare the base price of the AMC Spirit and the Skyhawk.
4. How many cars listed here have V-6 cylinders?
5. Which car has an automatic transmission?
6. Which car has the highest base price?
7. What is the difference in base price between the Monza and the Starfire?

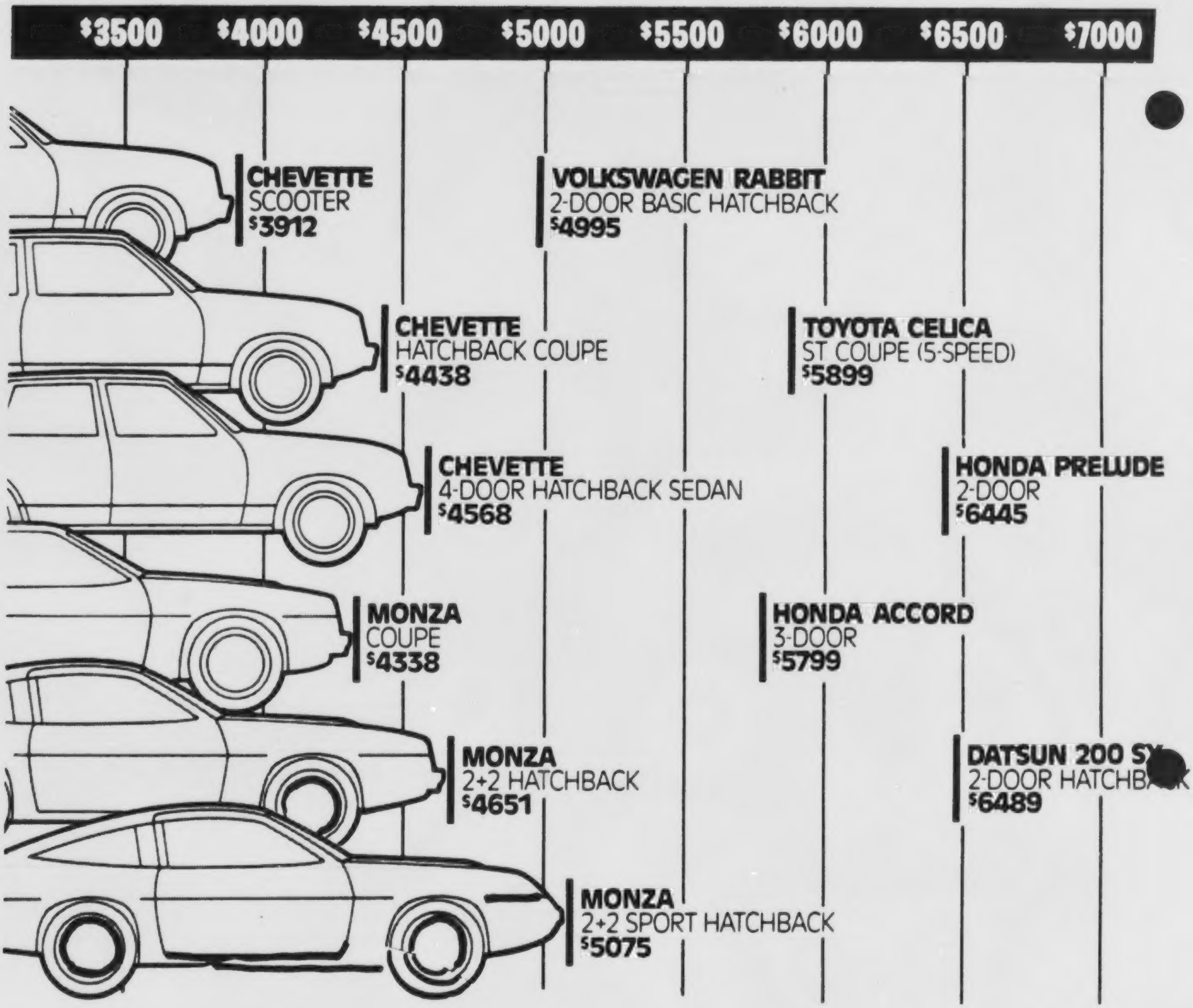
Name of Car	Cylinders	Trans-mission	Curb Weight	Fuel Capacity	EPA Mileage	Annual Fuel Cost	Base Price
AMC Spirit	4	M	2519	21.0	22	$614	$4162
AMC AMX	6	M	2934	21.0	22	614	$5653
Buick Skyhawk	V-6	M	2861	18.5	15	900	$4994
Chevrolet Chevette	4	M	2118	12.5	26	520	$4288
Chevrolet Monza	4	M	2815	18.5	22	614	$4183
Chevrolet Camaro	V-6	M	3451	21.0	20	675	$5498
Dodge Colt	4	M	1865	10.6	37	364	NA
Dodge Colt Challenger	4	M	2786	15.3	21	643	NA
Dodge Omni	4	M	2154	13.0	23	587	NA
Ford Fiesta	4	M	1761	10.0	28	375	NA
Ford Mustang	4	M	2614	11.5	23	587	$4731
Ford Pinto	4	M	2493	13.0	24	563	$3700
Mercury Bobcat	4	M	2540	11.7	24	563	$4523
Mercury Capri	4	M	2640	11.5	23	587	$5094
Oldsmobile Starfire	4	M/A	2765	18.5	22	614	$4750
Plymouth Arrow	4	M	2202	13.2	29	614	NA
Plymouth Champ	4	M	1874	10.6	37	364	NA
Plymouth Horizon	4	M	2154	13.0	23	587	NA
Plymouth Sapporo	4	M	2786	15.3	21	643	NA
Pontiac Firebird	V-6	A	3379.2	20.8	20	675	$5604
Pontiac Sunbird	4	M	2698.2	18.5	22	614	$4370.96

The same comparisons can be made on the compact, intermediate and full size cars.

Check your answers.

Read the chart. It shows the base price for several compact cars on the market.

1. Chevette Scooter
2. Chevette Hatchback Coupe
3. Chevette 4-door Hatchback
4. Monza Coupe
5. Monza 2 + 2 Hatchback
6. Volkswagen Rabbit
7. Toyota Celica
8. Honda Accord
9. Honda Prelude
10. Datsun Hatchback



You are now ready to make a list of the equipment you want on the car. Look for the ones that offer comfort and safety at low cost. In many parts of the country you can sometimes save by doing without the air conditioner. If you live in a hot climate this might be a must. After you have decided on these options, and have made a list of cars you are interested in, you are ready to go shopping.

Visit the dealers again. This time pick up brochures. Ask for the facts about equipment. Ask about the colors, trim, etc. Look at the car you have in mind. Get in the car and sit behind the wheel. Try the seats for comfort. Determine whether you can reach the pedals. Turn on the radio. Handle the steering wheel. Try to imagine the car in use. Will it fit your needs if you have children. Does it have enough trunk room for your needs. Will it be easy to park. Think about all of these things.

Be sure to check the EPA rating. Saving gas is becoming more and more important to all of us.

ACTIVITY 7

This chart will give you an idea of how to figure the cost of options. Use the chart to find the total cost of the options for each car. Show your work in the Student Response Booklet.

	Sub-Compact Chev. Monza	Compact Olds. Omega	Intermediate Chev. Citation	Full Size Ford LTD
OPTIONS				
Automatic transmission	266.00	280.00	280.00	Std. Equip.
Power steering	131	136	136	Std. Equip.
Power brakes	63	63	63	Std. Equip.
Air conditioning	441	468	468	548
Rear window defogger	79	84	84	84
Radio-Stereo	84	84	149	150
Vinyl roof	137	90		119
Power windows				
2 dr.		110	110	115
4 dr.		157	158	170
Power locks				
2 dr.		72	72	93
4 dr.		102	102	124
Hatchback	129			
Cost of options selected				

(This is a sample listing of options offered.)

Check your answers.

DO WE NEED TO SAVE ENERGY?

Saving energy is in the news these days. It usually means we are asked to save on the gas we use in our cars. One way to save gas is to "watch our speed." Experts say that driving within the speed limit will save gas as well as lives.

ACTIVITY 8

Read the chart and answer the following questions in the Student Response Booklet.

SPEED		MILES TRAVELED			
		10	20	35	50
65 mph	DRIVING TIME	9 min.	18 min.	32 min.	46 min.
60 mph		10 min.	20 min.	35 min.	50 min.
55 mph		11 min.	22 min.	38 min.	55 min.

1. If you were driving a distance of 10 miles at 55 mph how long would it take you?
2. If you were driving the same distance at 60 mph how long would it take?
3. What was the difference in time?

Check your answers.

ACTIVITY 9

Put a check mark (✓) in the box if any of these would help save energy or money. Use the chart in the Student Response Booklet.

☐ Buy gas at discount station — or fill-it yourself stations.

☐ Have check-ups regularly for your car.

☐ Trade-in your car after 3 years or 45,000 miles.

☐ Discontinue collision insurance if your car is 5 years old.

☐ Trade from a big car to a smaller one if it uses less gas.

☐ Carry road emergency service insurance.

☐ Ride in a car pool when possible.

☐ Walk or ride a bike when you can.

☐ Buy a used car instead of a new one.

☐ Choose a manual transmission instead of an automatic.

☐ Eliminate small problems before they get worse.

☐ Read your owner's manual for tips on car maintenance.

☐ If buying a new car, buy it before the new models come out in August or December.

ACTIVITY 10

To figure your miles per gallon (MPG) use this chart. For a total average do the following:

1. Subtract the odometer reading at first filling from the final reading for total miles. (Column A)
2. Add all fuel used. (Total Column C)
3. Divide total miles by total fuel used.

The result is a final average (MPG) for 4 fillings. Remember driving conditions — and the way you drive — make a big difference in your MPG.

Fillings	(A) ODOMETER READING (full tank)	(B) MILES SINCE LAST FILL subtract last mileage from present mileage	(C) NUMBER OF GALLONS TO FILL TANK	MILES PER GAL. divide (B) by (C)	TYPE OF DRIVING C-City R-Rural B—Both
1st					
2nd					
3rd					
4th					

Do this activity on your own paper. Copy the chart and keep it in your car.

TRADE-IN. If you have a car to trade-in, you need to know its value. It's easier than you think to arrive at this figure. Stop at the library or the bank. Ask to see the current used-car guidebook. There are several:

- — The Black Book
- — The Blue Book
- — The Kelley Blue Book
- — The Orange Book (NADA Guide)

You will find prices listed for each car. The average trade-in price will be listed. The wholesale price will be listed. The average loan value will be included. The average retail price will be noted. For most cars there is also a list of the extras with their prices.

For example, if you want to sell your six-cylinder Buick Skylark, the guidebook will help you with the basic prices. You can then figure what the dealer will give you on a trade. Look at this chart.

The wholesale price is all the dealer will give you on a trade. The retail price is what you should get if you sell your own car.

*basic retail price -	$2900	*basic wholesale price -	$2400
landeau top	$ 100	landeau top	$ 75
radio-stereo	$ 85	radio-stereo	$ 40
power steering	$ 125	power steering	$ 75
mileage less than 40,000	$ 200	mileage less than 40,000	$ 200

ACTIVITY 11

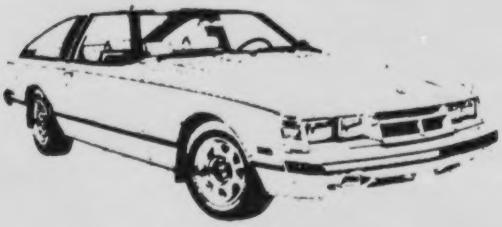
Write the answers to the questions in the Student Response Booklet.

1. Add the basic retail figures for this Buick Skylark.

   What is the retail price of the car?
2. Add the basic wholesale figures.
3. What is the difference between the retail and wholesale price?
4. Would it be better to trade-in the car or sell it outright?

Check your answers.

LEASING A CAR. When leasing a car, you sign a contract to pay so much per month for a specified period of time. It is like making a car payment each month. The difference is you don't really own the car.



People who lease cars usually are those who:

- use their cars for business purposes and can write off the cost.
- prefer to put their cash into something other than a car.
- need an itemized account of operating expenses.
- want freedom from the worries of maintaining a car.
- want freedom from buying and selling a car.
- want and can afford to operate late-model luxury cars (but don't have the cash for a down payment).
- need a car for a short length of time — a few months of the year.

Ideally people who lease should drive more than 20,000 miles a year. They should have above average income. Good credit. Job and insurance records. If cost-cutting is of importance, you would be better off buying a car. Leasing is rarely cheaper.

If leasing a car — instead of buying — sounds good to you in these days of high prices, consider the pros and cons. Investigate the company. Know their reputation. Think about the refundable deposit. Think about the amount that may be due at the end of the leasing period. Having considered all of these, if that is your choice over buying a new or used car . . . go ahead and lease!

ACTIVITY 12

Use the Yellow Pages. Find the names of at least two companies that advertise leasing of cars. Write the names and telephone numbers in the Student Response Booklet.

ACTIVITY 13

Write a letter and request a copy of the law that tells about warranties. Write the letter in the Student Response Booklet. Re-write the letter on a separate sheet of paper. Send it to the address given here. Bring the copy of the law to class. Your teacher will be glad to have it for the next class.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 14
CAR BUYING AND MAINTENANCE

NAME ____

DATE ______________________

ACTIVITY 1

Fill in the chart below.

	Cost per month	Cost per year
Depreciation		
Fixed Expenses Installment payment		
Insurance		
License fees, registration and taxes		
Garage rent or parking fees		
Other:		
Flexible Expenses Gasoline		
Oil		
Tires		
Maintenance (parts, repair, etc.)		
Miscellaneous		
Total Fixed and Flexible		

When you have completed this activity, and you decide the expenses are more than you can afford on the car of your choice, what could you do?

☐ Extend the payments over a longer period of time.
☐ Not trade cars at this time.
☐ Choose a car that costs less money.
☐ Make a larger down payment.
☐ Pay cash to avoid interest charges.

ACTIVITY 2

1. What is the difference in base price between the Toyota and the Datsun?

   ________________________________ .

2. EPA of Toyota: city traffic ______________

   expressway ______________

3. What is the cost of the Datsun with air and radio? ______________________

4. How much would you save on a Datsun without air and radio? ______________

ACTIVITY 3

Should Tom and his wife buy a Toyota or Datsun? Why or why not? ______________

____

ACTIVITY 4

Name of the first car ______________________________

Cost if you paid cash.

Selling price ______________

Tax ______________

TOTAL ______________

Name of the second car ______________________________

Cost if you used deferred payment.

Selling price ______________

Down payment - ______________

Finance charge + ______________

Tax + ______________

Final cost $ ______________

ACTIVITY 5

a. Name of car that costs the most ______________________________

b. Options ______________________________

____

ACTIVITY 6

1. Curb weight of Chevette ______________________________
   Curb weight of Pinto ______________________________
2. Fuel capacity of Capri ______________________________
   Fuel capacity of Horizon ______________________________
3. Base price of Spirit ______________________________
   Base price of Skyhawk ______________________________
4. Number of cars with V-6 cylinders ______________________________
5. Car with automatic transmission ______________________________
6. Car with highest base price ______________________________
7. Difference in price between Monza and Starfire ______________________________

ACTIVITY 7

What is the total cost of options for these cars?

1. Chevrolet Monza ______________________________
2. Oldsmobile Omega ______________________________
3. Chevrolet Citation ______________________________
4. Ford LTD ______________________________

ACTIVITY 8

1. __________ minutes
2. __________ minutes
3. __________ minute

ACTIVITY 9

Put a check mark (✓) in the box if any of these things would help save you energy or money.

☐ Buy gas at discount station — or fill-it-yourself stations.
☐ Have check-ups regularly for your car.
☐ Trade-in your car after 3 years or 45,000 miles.
☐ Discontinue collision insurance if your car is 5 years old.
☐ Trade from a big car to a smaller one if it uses less gas.
☐ Carry road emergency service insurance.
☐ Ride in a car pool when possible.
☐ Walk or ride a bike when you can.
☐ Buy a used car instead of a new one.
☐ Choose a manual transmission instead of an automatic.
☐ Eliminate small problems before they get worse.
☐ Read your owner's manual for tips on car maintenance.
☐ If buying a new car, buy it before the new models come out in August or December.

ACTIVITY 10

Do this activity on your own paper.

ACTIVITY 11

1. Total of basic retail figures ______
2. Total of basic wholesale figures ______
3. Difference in price ______

ACTIVITY 12

Lsit two companies that advertise leasing of cars.

1. Name ______
   Telephone number ______
2. Name ______
   Telephone number ______

ACTIVITY 13

Write your letter here.

ANSWER KEY

ACTIVITY 1

Answers will vary.

ACTIVITY 2

1. $810
2. city traffic 25 expressway 35
3. $6711
4. $822

ACTIVITY 3

Answers will vary.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

a. Sedan DeVille

b. steering wheel tilt and telescopic
rear defogger
cruise control
trumpet horn

ACTIVITY 6

1.	Chevette	2118
	Pinto	2493
2.	Capri	11.5
	Horizon	13.0
3.	Spirit	4162
	Skyhawk	4994

4. three
5. Pontiac Firebird
6. AMC AMX
7. $567

ACTIVITY 7

1. $1330
2. will vary
3. will vary
4. will vary

ACTIVITY 8

1. 11 minutes
2. 10 minutes
3. 1 minute

ACTIVITY 9

Answers will vary.

ACTIVITY 10

Answers will vary.

ACTIVITY 11

1. $3410
2. $2790
3. $620
4. Sell it outright

ACTIVITY 12

Answers will vary.

PURPOSE

The purpose of Project DECIDE has been to design, develop, write and implement materials to provide adult basic education administrators, instructors, para-professionals and other personnel, with curriculum to accompany the Indiana Adult Basic Education Curriculum Guide, *Learning for Everyday Living*. This is in keeping with the Adult Education Act (P.L. 91-230) Section 302 which states that adult education programs should provide opportunities "to enable all adults to acquire basic skills necessary to function in society."

PROJECT STAFF

Ruth E. Huffman, Project Director & Editor
Karen Martin, Research Associate & Author
Dorothy Toon, Staff Assistant & Secretary
John Upp, Counselor & Recruiter

© 1979, Indiana Department of Public Instruction.

The contents of this booklet were developed with financial assistance from the U.S. Office of Education, Department of Health, Education and Welfare. However, the contents do not necessarily represent the position or policy of that agency and a reader should not infer endorsement by the U.S. Government.

Published by
Central Publishing Co.
Indianapolis, Indiana

PREFACE

The diversity of the adult population in the United States today presents special challenges for developing programs of instruction. Widely varying socio-economic backgrounds, educational levels and special interests/needs affect the development of instructional programs, especially for the adult basic education student. Thus the major focus of Project DECIDE has been to develop learning materials in the area of competency-based education to help facilitate and to provide flexibility and diversity for teaching life skills identified through studies as being the most important in producing citizens who can lead productive lives in the complexity of today's society.

The generated materials are based on fifty-eight objectives as stated in *Learning for Everyday Living*; in the areas of consumer economics, occupational knowledge, health, community resources, and government and law. The competency-based packets are written especially for adult basic education students who are functioning at Level I, Phase I and II. Level I is comparable to reading grade levels 0-8. Phase I equals 0-4 reading grade level; Phase II equals 5-8 reading grade level. The curriculum has been developed and organized into instructional packages called Student Activity/Task Packets (SAT Packets). Each of the Student Activity/Task Packets contains a teacher guide, a pre/post test and answer key; a student guide, student response booklet, instructional activities and answer key. Each packet covers one or more related objectives and has as its base one or more of the activity/task statements verified in *Learning for Everyday Living*.

Where possible, additional and inexpensive commercial and non-copyrighted information has been incorporated into the learning materials. In addition, instructors and students can acquire pamphlets from local, state, and national governmental agencies, private business organizations and the local newspapers, to supplement the curriculum materials. The Guide should be studied and used to clarify, emphasize, and further benefit the instructional process. The materials can then be adapted for lower or higher functioning adult students. Independent, group work, one-to-one tutorial and the buddy system are suggested methods of instruction.

With these procedures, it can be safely assumed that enough pertinent information has been assembled to help an adult basic education student learn to succeed in every day living. These materials are such that classes and instruction are most effective when learning takes place in an informal and less traditional format or environment than the regular school approach. *The Student Interest Survey* provided will help the student and instructor define and identify the areas of need. The learner's goal will give direction to the specific objectives assigned. Having the SAT Packets placed into ring binders will allow flexibility in using and updating materials in the future. The six-volume set, Consumer Economics I, Consumer Economics II, Occupational Knowledge, Health, Community Resources and Government & Law, will be manageable on the classroom shelf.

We believe this material will provide adult educators with the basic core of materials needed to assist adult learners with the skills necessary to make life meaningful. Each one who has shared in the total process of this project has contributed a part of their own philosophy. The time devoted to researching, writing, testing, teaching, evaluating, re-writing and publishing the materials, represents two years of total commitment to, not only the project curriculum materials, but also to a special philosophy of Adult Basic Education that signifies progress for today and tomorrow.

Ruth E. Huffman
Director, Project DECIDE

ACKNOWLEDGEMENTS

Developing materials for use in adult basic education programs requires expertise, support and contributions from both the adult educators and adult learners for whom the materials have been developed; therefore, the project staff wishes to extend thanks to all of those who have provided us with invaluable assistance and service.

The Baker Adult Basic Education Center, located at West Central Joint Services, provided the base for field testing the Student Activity/Task Packets. This phase of the project insured the genuine quality of the curriculum materials. So special thanks is extended to Dr. Rolla Pruett, Director of West Central Joint Services; and the ABE staff, Lillian Commons, Betty McElroy, Punyavathi Moorthy, Rolla Pruett, Jr., and Mary Molter, who also served as staff assistant on the project to maintain continuity with the Baker Center.

In addition to the regular project staff, significant contributions have been made by others: Gayle Bush, research writer and author; Dorothy Murphy, editorial assistant and advisor.

This has been a two-year project and we extend thanks to those staff members who served during the first year: Suzanne West, Dora McQuade and Cathy Masterson; Rosemarie Dewey and Barbara Archer for technical assistance.

Adult Basic Education Directors/Coordinators have assisted us greatly by hosting dissemination workshops for Project DECIDE. Our special thanks to:

Vickie Hobbs, Shelbyville; Barbara Bevelhimer, Logansport;
Sondra Cox, Portage

An innovative project is not complete without on-going and summative evaluation. Our appreciation is extended to those who have made this valuable service possible.

Edward Robbins, Indiana University
Purdue University
Indianapolis, Indiana

Linda E. Schmidt
Champaign Regional Office
of Education
Champaign, Illinois

A project of this dimension requires extensive cooperation between all agencies involved. The Indiana Department of Public Instruction, Division of Adult & Community Education has strongly supported and encouraged our efforts. So sincerely we say thanks to: Mary Williams, Director; Linda Zeiler, Supervisor of Special Projects; Timothy Wells, Reading and Special Needs Consultant; and Theodore McKnight, Curriculum Consultant.

The Metropolitan School District of Wayne Township has served as the agent responsible for funds and personnel for the project. Credit is due: Dr. Edward Bowes, Superintendent; Ralph Chandler, Ass't. to the Superintendent; and the business office personnel who have devoted time and effort to Project DECIDE.

CONSUMER ECONOMICS

GOAL: To manage a family economy and to demonstrate an awareness of sound purchasing principles.

CE-1		Counting and Converting Money
CE-2		Converting Weights and Measures
CE-3	Part 1	Sales and Income Tax
	Part II	Sales and Income Tax
CE-4		Money Management
CE-5		Catalogs
CE-6		Consumer Information
CE-7-8		Cost Factors and Comparison Shopping
CE-9		Packaging/Cost of Goods
CE-10		Advertising/Selling
CE-11		Restaurants/Dining Out
CE-12		Home Furnishings
CE-13		Housing Needs
CE-14		Car Buying and Maintenance
CE-15		Care and Upkeep of Belongings
CE-16		Banking
CE-17		Credit
CE-18	Part I	Life and Property Insurance
	Part II	Car Insurance
CE-19		Fraud
CE-20	Part 1 Level 1	Population
	Part 2 Level 1	Natural Resources
	Part 3 Level 1	Ecology
	Part 1 Level 2	Population
	Part 2 Level 2	Natural Resources
	Part 3 Level 2	Ecology
CE-21		Mail and Package Delivery Services

CE-15: CARE AND UPKEEP OF BELONGINGS

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will be able to recall basic procedures for the care and upkeep of personal possessions and to use resources relating to such care.

INTRODUCTION:

This packet points out the importance of regular maintenance. It covers appliances, clothing, furniture, and floor coverings. It recommends beginning a file of documents relating to the care of personal possessions.

ADAPTABILITY:

This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system, and group work.

Possible activities for group work include the following suggestions.

1) Conduct a teacher led discussion on these topics:
    a. The importance of following directions on labels.
    b. The effectiveness of common inexpensive cleaning products as compared with highly advertised cleaners.
    c. The reputation of local repair services for quality work and fees charged.
2) Conduct a session in which skilled class members demonstrate the proper maintenance or care of a specific item.
3) Plan a field trip to the library in which students locate magazines, newspapers, books, and other reference sources which provide tips on upkeep, service, and maintenance of personal possessions. This activity should be made personally relevant for the individual, so each student should choose his/her own area of interest to research.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:

The student needs a basic knowledge of addition, subtraction, and multiplication.

PRE/POST TEST:

There is no formal Pre/Post Test. Students may be tested informally.

ADDITIONAL MATERIALS NEEDED:

Yellow Pages - telephone book
Owner's manual for three or four appliances that require maintenance care.

SKILLS OBJECTIVES:

- Reading
    - Develops vocabulary
    - Locates resources
    - Follows directions
    - Obtains information
    - Notes details
- Writing
    - Makes lists
    - Organizes information
    - Fills out forms
- Speaking, Listening, Viewing
    - Presents information
    - Gives directions
    - Evaluates the content
- Problem Solving
    - Defines needs
    - Obtains needed information
    - Examines constraints
    - Determines plan of action
- Interpersonal Relations
    - Explains needs
    - Resolves conflicts
- Computation
    - Adds
    - Subtracts
    - Multiplies

To the student . . .

In this packet you will learn some things about care and upkeep of the things you own. These things are sometimes called possessions. Taking care of your possessions can save you a lot of money over the years. Your possessions will last longer. Repair bills may not be as high if you take care of the things you own.

REPAIRS!!!
REPAIRS!!!
REPAIRS!!!

Star Illustration By John Sager

CARE OF BELONGINGS MEANS MONEY IN YOUR POCKET. There are certain items that most of us own. Clothes and furniture are the most common things. Proper care will mean that they will serve you for a longer time without replacement. Each item that must be replaced probably means that you will have to do without something else that you would like to have. The list of items that we own, or would like to own, is a long one.

stove
refrigerator
tools
fishing equipment
electric mixer
electric coffee pot
washer
dryer
TV
radio
automobile
toaster
vacuum cleaner
bicycle
dishwasher
electric blanket

You can probably think of other items you would like to have. This packet will be most useful to you if you make a list of some of your possessions and ways to take care of them.

ACTIVITY 1

Make a list of some of the things you own. Choose those items that are likely to need repairs sometime in the future. Write the list in your Student Response Booklet. Put a check beside the item that you think might have a warranty.

Most possessions that you buy new have a guarantee or warranty. It tells what the company will fix if something goes wrong. For example, one refrigerator company has this warranty.

FULL ONE YEAR WARRANTY ON REFRIGERATOR

For one year from the date of purchase, when this refrigerator is operated and maintained according to instructions attached to or furnished with the product, Sears will repair this refrigerator, free of charge, if defective in material or workmanship.

FULL FIVE YEAR WARRANTY ON SEALED REFRIGERATION SYSTEM

For five years from the date of purchase, when this refrigerator is operated and maintained according to instructions attached to or furnished with the product, Sears will repair the sealed system (consisting of refrigerant, connecting tubing and compressor motor), free of charge, if defective in material or workmanship.

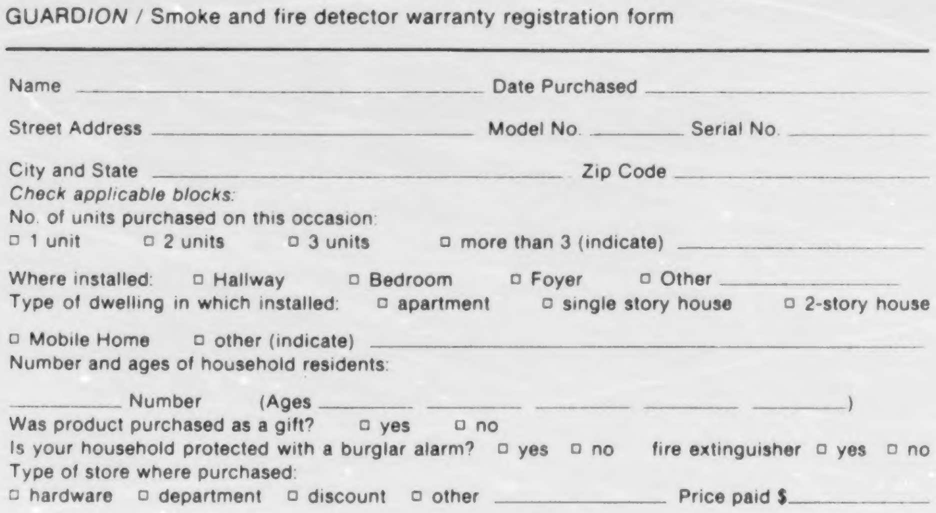
The above warranty coverage applies only to refrigerators which are used for storage of food for private household purposes.

WARRANTY SERVICE IS AVAILABLE BY CONTACTING THE NEAREST SEARS STORE OR SERVICE CENTER THROUGHOUT THE UNITED STATES.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

Sears, Roebuck and Co. • BSC 41-3 Sears Tower • Chicago, IL 60684

The company will fix anything that goes wrong the first year. After that time only the sealed refrigeration system is guaranteed. Sometimes you must send a registration card back to the company. This is an example of a warranty registration form for a fire and smoke detector.



GUARD*ION* / Smoke and fire detector warranty registration form

Name ______________________ Date Purchased ______________

Street Address ______________________ Model No. ________ Serial No. ________

City and State ______________________ Zip Code ______________

Check applicable blocks:

No. of units purchased on this occasion:

☐ 1 unit ☐ 2 units ☐ 3 units ☐ more than 3 (indicate) ______________

Where installed: ☐ Hallway ☐ Bedroom ☐ Foyer ☐ Other ______________

Type of dwelling in which installed: ☐ apartment ☐ single story house ☐ 2-story house

☐ Mobile Home ☐ other (indicate) ______________________

Number and ages of household residents:

________ Number (Ages ________ ________ ________ ________ ________)

Was product purchased as a gift? ☐ yes ☐ no

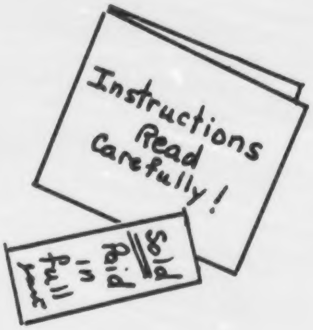
Is your household protected with a burglar alarm? ☐ yes ☐ no fire extinguisher ☐ yes ☐ no

Type of store where purchased:

☐ hardware ☐ department ☐ discount ☐ other ____________ Price paid $________

An instruction manual is provided with each new appliance or major item. The manual will state the things you need to know to keep your new appliances working well. For example, the manual for a toaster oven may include information such as:

- how to put it together
- how to clean it
- how to fix certain foods in it
- types of foods you should not cook in it



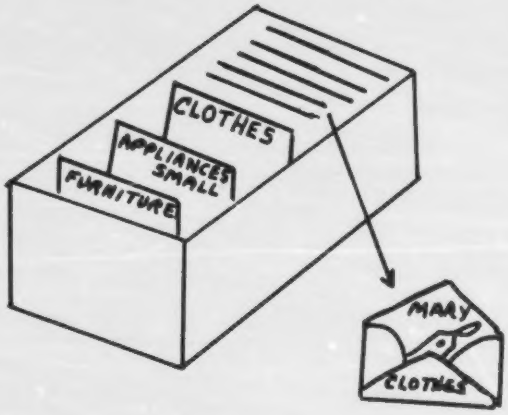
It is very important to **read** the manual. Always do this first. Save your papers. **Keep** the instruction book and your part of the warranty or guarantee. **Keep** sales receipts. You may also want to write this information on the front of the manual:

- day the guarantee is over
- name of the store where purchased

It is helpful to have a special drawer or file box in which to keep important papers. Put the papers in some kind of order. You might use alphabetical order. You might prefer to put all furniture papers together, all appliance papers together, and all papers for clothes together.

You may want to keep a calendar with upkeep reminders on it. Suggestions include:

- date to defrost refrigerator
- date to change oil in the car
- date to check sweeper bag
- date to oil or clean a small appliance
- date to change furnace filters



ACTIVITY 2

Read a manual you have at home, or go to a store and read a manual for an item you would like to buy. Then answer the following questions. Write your answers in your Student Response Booklet.

1. Name the item.
2. Does the item have a guarantee or warranty? If it has one, describe what will be fixed free.
3. Does the manual say anything that you are **not** supposed to do?
4. What kind of week-to-week, month-to-month, or yearly care is needed?

WHAT SHOULD YOU DO WHEN SOMETHING GOES WRONG? Check to see if the problem is covered in the guarantee. If it isn't, try to fix it. Read your instruction book. Look at the pictures while you are reading. The problem may be easy to solve. If this doesn't work, go to the library or borrow a book from a friend. There are many good books on common repairs. Sometimes it pays to buy one so that you have it handy.

If you can't do the repair job yourself, you will have to ask an expert to help you. The instruction book usually has a list of suggested service repair places. See if there is one in your area. Start with this place to compare prices for repair. It is a good idea to get three or four estimates. An estimate is a guess as to the cost of the repair. Sometimes you must take the item into the shop for an estimate. Be sure to tell them you only want an estimate. Tell them not to fix it yet. Ask these questions:

1. How long will it take to fix the item?
2. Is the charge based on an hourly rate?
3. How much per hour is the charge?
4. What will the new parts cost?
5. What is the total estimate?

You must now decide if you want the item repaired. Sometimes the cost of repairs is more than the item is worth. More repair work might be needed again on the same item. It might be cheaper to replace an old appliance or major item. Once you understand the costs of repairs, you can then decide.

ACTIVITY 3

This activity will help you with price estimates. Choose something you own that needs to be repaired. Suggestions include:

- small appliances
- jewelry
- clothing
- furniture
- tools
- car

Yellow
Pages

Look in the Yellow Pages. List three places that would repair one of the items. Call and ask for an estimate. Should you repair the item or replace it? Write your answers in the Student Response Booklet.

WHAT ABOUT UPKEEP OF CLOTHES?

You should buy wisely, clean with care, and repair when needed. Buy wisely — buy only what you need. Check to see if the clothes are well made. Keep in mind that styles will change. You may not want to wear clothes that are out of style even if they are still in good shape. If you buy for a child, plan for growing room. A hem or pant cuff may be shortened or lengthened at a later date.

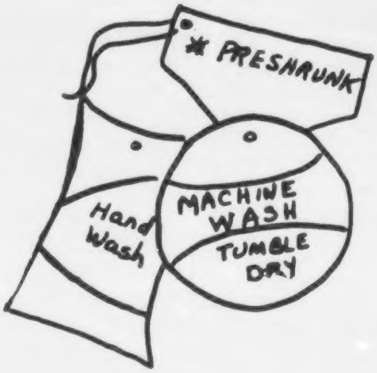
Read labels before you buy. The federal government has a rule that all clothes must have a "care" label. Buy only clothes that you will have time to care for properly. For example, a sweater that says **hand wash** may not be worn very much. It would have to be washed by hand and laid out to dry.

If you have little time to care for your clothes:

- look for labels that say **permanent press** or **tumble dry** (this means little or no ironing)
- labels that say **machine wash** instead of **hand wash**
- labels that say
  Sanforized (means clothes could shrink up to 1%)
  Preshrunk (means clothes could shrink up to 3%)

Before you wash your clothes, do the following necessary things:

- sew any ripped seams
- sew on the buttons
- mend any holes in the material
- put iron-on patches where needed
- close zippers and unbotton buttons
- turn knits inside out
- clean out all pockets
- sort clothes by colors



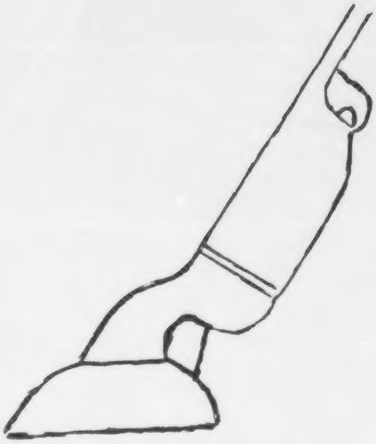
Do not wash whites and pastels with colors. Sort out items that are very dirty. Water temperature is important. Permanent press washes better in warm water with slower speed. Find dirty spots and stains. Work on them before you wash. You can put extra liquid soap on the spot. You can buy spot removers. Clothes will get cleaner if you leave plenty of room in the washer. Clothes will not be wrinkled if you leave plenty of room in the dryer. Dry only a few permanent press things at a time. Hang them up as you take them from the dryer.

Put clothes to be dry cleaned together. Using a coin operated dry-cleaning machine will cut down on dry cleaning costs. Read the label to see which clothes must be dry cleaned. Most of your other clothes can be done in the washing machine.

GENERAL HOME UPKEEP. Everything in your home will look better and last longer if it is cleaned regularly. This includes furniture, floors, and carpets. If you have furniture with padding or upholstery, you may be able to wash it gently with upholstery cleaner. Use the brushes that come with a sweeper to dust or sweep furniture. Dust wood furniture with a soft cloth and furniture polish. **Read** the labels before you use anything to clean your furniture. Make sure it is the right product for the kind of cleaning you are doing.

Scratches on wood furniture can often be fixed. Try a child's color crayon or shoe polish. For a big scratch, use oil stains or stick shellac. Rub with steel wool and paste wax. Try car cleaner wax on plastic furniture if there are stains or deep scratches.

Floors in a home get dirtier than anything else. Use your sweeper or a broom often to clean all floors. Follow directions for cleaning tile. Some of the newer tile or floor coverings do not have to be waxed. These need to be cleaned with mild detergent. Other types which should be waxed require stronger cleaning products. There are cleaning products available that clean, take up old wax, and put down new wax all at the same time. Read the label before you choose a floor care product.



To clean carpet and rugs, sweep often. Every time something is spilled, soak it up right away. If the spot shows when it dries, do not wait to clean it. You may want to buy a carpet cleaning liquid or foam to have on hand. Some people save money by cleaning all of their own carpet. Many drugstores, dry cleaners, and grocery stores have carpet cleaning machines for rent by the hour or the day. They don't cost much to rent. Often you must make a deposit when you pick up the machine. The deposit money is returned to you when you finish with the machine.

Some people prefer to have their carpet or rugs cleaned by a carpet cleaning business. It is possible to call to get a price estimate. To get an estimate, you have to figure the number of square feet to be cleaned. To do this, measure the length and width of the room or rug. Multiply the figures together. The answer is the number of square feet. For example, a room or carpet that is 12 feet wide and 14 feet long: multiply 12 feet by 14 feet to get 168 square feet.

12 ft. x 14 ft. = 168 sq. ft. or

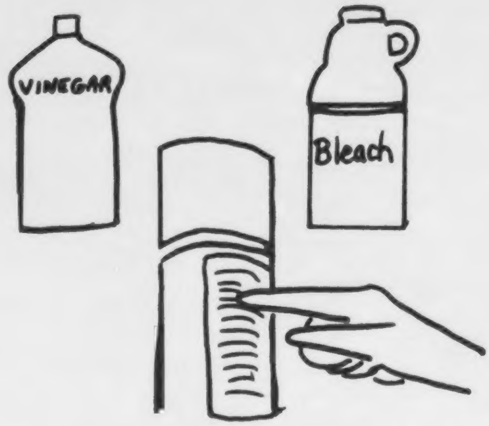
```
   12 ft.
 x 14 ft.
 --------
   48
  12
 --------
  168 sq. ft.
```

ACTIVITY 4

If you have a carpet or large rug in your home, complete this activity. If you don't have a carpet, but are considering buying one, complete this activity. Measure the room for which you would buy the carpet. Write the answers in your Student Response Booklet.

1. Measure your room or rug to find the number of square feet.
2. Find the listing for "Carpet and Rug Cleaning" in the Yellow Pages of the phone book.
   Choose three places of business.
   Call each one and ask for an estimate to have your rug cleaned.
3. Find the listing "Pharmacies" in the Yellow Pages. (This is another name for drugstore.)
   Call at least three.
   Ask if they have carpet cleaning machines to rent.
   Ask about the cost.
   Ask if a deposit is required.

CLEANING PRODUCTS. You do not have to spend extra money for special cleaning products. Brand name products cost more. Simple products can do the same job. Baking soda cleans glass, wall tile, and enamel. It removes coffee and tea stains. Household ammonia cleans stoves, ovens, windows, and mirrors. Lye may be used to clean drains and ovens. It is a strong poison. Never mix bleach with ammonia. The result of the mixture is a poison gas. Such a gas would hurt your lungs when you breathe. Bleach cleans bathtubs, showers, and toilets. It cleans away mildew and mold. Vinegar or lemon juice cleans hard water spots from glass, rust from sinks, and tarnish from brass and copper. Cream of tartar cleans aluminum.



ACTIVITY 5

You may need to go to the grocery store to do this activity. Write your answers in the Student Response Booklet.

1. Write down the price and size of a brand name window cleaner such as Windex. See if you can find a bottle of vinegar about the same size. What is the price?
2. Write down the price and size of a brand name toilet bowl cleaner. See if you can find a bottle of bleach about the same size. What is the price?

SIMPLE HOME REPAIRS. There are many small jobs around a home that you can do yourself. Some of them are maintenance or upkeep jobs. Change the furnace filter when needed. Clean the lint filter on the clothes dryer every time you do the laundry. Change the sweeper bag when needed. Put on a new sweeper belt when needed. Follow instruction books and add oil to sewing machines or sweepers when needed. Check air conditioner when needed. Clean out the gutters when needed and check the roof and vents. If you keep up on maintenance work, your possessions will last longer.

There are many small repairs that you can learn to do. Many people have learned to fix a leaking water faucet, patch a hole in the wallboard, paint or wallpaper, fix a drawer that sticks, repair a screen, fill a crack around the tub, fix a toilet that "runs," or fix a loose floor tile. You need to learn about basic tools such as hammers, screwdrivers, pliers, wrenches, and saws. You need to learn about nails, screws, and bolts. You can learn to hang pictures, curtain rods, and book shelves the right way. There are many jobs that you can learn to do yourself. **Keep in mind that proper care of your belongings means money in your pocket!**

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 15
CARE AND UPKEEP OF BELONGINGS

NAME ____

DATE ______________________

ACTIVITY 1

List some of the things you own. Choose possessions that are likely to need repairs sometime in the future.

ACTIVITY 2

1. Name of item ______________________________
2. Does it have a guarantee or warranty? ______ yes ______ no
   If yes, describe what will be fixed free.
3. Does the manual say anything that you are **not** supposed to do?
   ____
   ____
   ____
4. What regular care is needed?
   ____
   ____
   ____
   ____

ACTIVITY 3

1. What needs to be repaired? ______________________________
2. Repair shops

NAME	PHONE	COST ESTIMATES

3. Should you repair or replace the item?
   ____

ACTIVITY 4

1. Number of square feet ______________________________
2. Carpet cleaning businesses

NAME	PHONE	COST ESTIMATES

3. Name of drugstores

NAME	PHONE	COST ESTIMATES

ACTIVITY 5

1. Brand name window cleaner
   price ______________ size ______________
   Vinegar price ______________ size ______________
2. Brand name toilet bowl cleaner
   price ______________ size ______________
   Bleach price ______________ size ______________

CE-16: BANKING
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet, the adult learner will be more familiar with media of exchange and banking services in the community.

INTRODUCTION:

This packet introduces the student to the fundamentals of using banking services. The student will have an opportunity to read about the processes of banking, and will learn why banking helps in money management. There will be opportunities for the student to fill out deposit and withdrawal forms and write sample checks.

ADAPTABILITY:

This packet is adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, and group work.

Group activities suggested are:

1) Have a bank official visit your class for a discussion and question session. Suggested topics for discussion could include:
    a. the different kinds of banks (full service, savings and loan)
    b. inflation, loans, savings, credit cards
    c. banking careers
    d. investments, counseling
    e. procedures for handling checking and savings accounts

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase II. Use of group work and audio-visuals will help the Level I, Phase I reader succeed in this packet.

MATHEMATICAL SKILLS:

The student should have a basic knowledge of addition, subtraction and working with dollars and cents in order to complete the packet. These skills, along with additional math skills, should be taught as the student proceeds through the packet.

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The test is designed to be used as either a written or an oral assessment. The student should score 90% to 100% to test out of the packet. The same score should also indicate successful completion of the packet.

ADDITIONAL MATERIALS:

Consumer Education, multi-media kit, developed by the National Education Association, 1201 16th St., N.W., Washington, D.C. 20036.

American Bankers Association, Banking Education Committee, 1120 Connecticut Avenue, N.W., Washington D.C. 20036. "Using Bank Services" and "Bank Services for You."

Federal Reserve Bank of New York, Public Information Department, 33 Liberty Street, N.Y.C., N.Y. 10045. "A Day at the FED" and "The Story of Checks" and "Money: Master or Servant."

Manufacturers Hanover Trust Company, 350 Park Ave., N.Y.C., N.Y. 10022. "How Our Bank Helps Our City."

Your **local bank** will also provide valuable teaching materials.

SKILLS OBJECTIVES:

Reading
- Develops vocabulary
- Obtains information
- Makes inferences and draws conclusions
- Generalizes to similar situations

Writing
- Fills out forms

Speaking, Listening, Viewing
- Interprets ideas
- Makes comparisons
- Evaluates content
- Organizes information

Problem Solving
- Defines needs
- Obtains information
- Examines constraints
- Plans alternatives
- Determines plan of action

Interpersonal Relations
- Explains needs
- Receives input
- Identifies and resolves conflicts

Computation
- Adds
- Subtracts

CE-16: BANKING
PRE/POST TEST

Directions: Read each statement carefully. Circle a "T" for the true statements and an "F" for the false statements.

T F 1. You have overdrawn your account when you deposit too much money.

T F 2. When two people open an account together, it's called a joint account.

T F 3. Putting money in your account is called making a deposit.

T F 4. Interest is money which you pay the bank when you have a savings account.

T F 5. The minimum balance is the smallest amount of money you may have in your account.

T F 6. You can endorse a check by writing the date on it.

T F 7. It is not important that your records agree with the bank's records.

T F 8. Some banks have special machines you can use when the bank is not open. If you have an account you can withdraw money by using this machine.

T F 9. It is safer to send money through the mail than to send a check.

T F 10. If you need proof that you have paid a bill, you can use your cancelled check.

CE-16: BANKING
PRE/POST TEST

T [✓ F] 1. You have overdrawn your account when you deposit too much money.

[✓ T] F 2. When two people open an account together, it's called a joint account.

[✓ T] F 3. Putting money in your account is called making a deposit.

T [✓ F] 4. Interest is money which you pay the bank when you have a savings account.

[✓ T] F 5. The minimum balance is the smallest amount of money you may have in your account.

T [✓ F] 6. You can endorse a check by writing the date on it.

T [✓ F] 7. It is not important that your records agree with the bank's records.

[✓ T] F 8. Some banks have special machines you can use when the bank is not open. If you have an account you can withdraw money by using this machine.

T [✓ F] 9. It is safer to send money through the mail than to send a check.

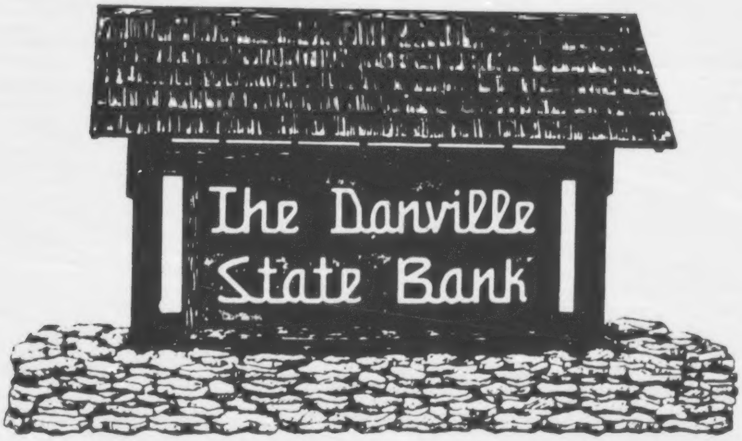
[✓ T] F 10. If you need proof that you have paid a bill, you can use your cancelled check.

To the student . . .

The bank is in business to **rent** money. The bank is also in business to help you better **manage** your money. You can't manage your money out of your pocket all of the time. This is why people use banks. To use banks, you must understand more about the banking process. When you have completed this SAT Packet you should be more familiar with banking activities.

MONEY, MONEY! Have you read about the rich old man who kept his money in his mattress? Have you heard about people who hide their money in the attic or backyard? Maybe you have even heard about people who carry money in special money belts. Then, of course, there are stories about a few women who will tuck money in their clothing for safe keeping.

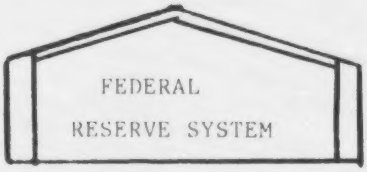
You already know there is a better way to take care of your money. It is called BANKING. Let's look at all the possibilities when it comes to banking. We first need to know what it's all about. Then it will be easy to decide how to make the most of our community bank. The community bank is really a social service that provides resources for our use. If we learn how to properly use this for our good, life will be much better.



HOW MUCH IS ENOUGH? No matter how much money you earn, the way you manage it will decide your life style. If you are a high school graduate, you will earn about $400,000 in a lifetime. With the high rate of inflation today, that figure could be even more. That is a lot of money. If you can't manage your money, you will one day wonder where it all went! You might also be asking yourself, "What do I have to show for it??"

People use banks for this reason. They can tell what is happening to their money. Not knowing how to use banks is like not knowing how to take care of yourself. It is one thing to keep yourself physically fit. It is also just as important to keep yourself financially fit. Knowing more about banking will help.

WHAT IS BANKING? HOW DOES IT WORK? The Federal Reserve System was established by Congress in 1913. It is our central banking system, or a **bank** for **banks.** This system is under the supervision of the Board of Governors appointed by the President. The Federal Reserve System has 12 district banks and 24 branch banks throughout the country.



NATIONAL
BANKS

STATE
BANKS

This banking system was established to:

- keep a flow of money to banks
- speed up transfer of funds
- speed up collection of checks between banks
- provide ways for lending money to other banks
- help prevent inflation or depression by controlling credit
- handle money activities of the Federal Government

A bank must have a charter to operate. If the federal government grants the charter, the bank is called a National Bank. If a bank gets its charter from the state, it is called a State Bank and/or Trust Company. According to law, National Banks must belong to the Federal Reserve System. State Banks **may** become members if they wish.

When you place your money in the bank, it is safe. The FDIC (an agency of the Federal Government) insures your deposits. Banks also have board of directors, inspections, government audits and banking laws to protect you and your money.

WHAT MUST YOU KNOW TO MAKE BANKING WORK FOR YOU? Here is a check list of important things to know for general information.

1) What is the F.D.I.C.?
2) The difference between National/State Banks?
3) Who owns the bank?
4) Whose money does the bank lend?

Of course, you can bank without all of this information. It is interesting and helpful if you understand some of these. The **most important** things for you to know are listed in this check list.

1) How to open a checking account?
2) How to make out a deposit slip?
3) How to write a check?
4) How to reconcile a bank statement?
5) How to open a joint checking account?
6) How to borrow money?
7) How to establish a credit rating?

Checks have almost replaced cash in handling financial matters. About 90% of all payment in the U.S. are made by check. There are about 100 million checking accounts in the U.S. This means most families have a checking account. What are some of the advantages?

1) They are a safe way to handle money. (in person or by mail)
2) They are convenient. (saves time and energy)
3) Checks are proof of payment. (They are legal receipts.)
4) Checks provide good records and help with money management. (You can tell how much you are spending!)

VOCABULARY WORDS

Using bank services requires knowing some special banking words. Read the list of terms. Read the word meanings.

A FULL
SERVICE
BANK

ASSETS	Anything of value owned by a company or individual.
BANK	A place for borrowing, lending, or caring for money.
BANK BALANCE	The amount of money in your account after writing the last check.
CANCELLED CHECK	A check which has been paid and taken out of your account by the bank.
CHECK	A piece of paper with a written order telling the bank to pay the money.
CHECKING ACCOUNT	Your account at the bank where funds are deposited so you can write checks.
DEPOSIT	The money you put into your savings or checking account.
DEPOSIT SLIP	The paper that shows how much is being put into a particular account at the bank.
ENDORSE	You write your name on the back of the check.
INTEREST	The fee paid for the use of your money, or what you pay if you use the bank's money.
JOINT ACCOUNT	A savings or checking account with two people's names on the account.
MINIMUM BALANCE	The smallest amount of money you have in your account.
MINIMUM DEPOSIT	The smallest amount of money you may put in a special savings account.
OVERDRAW	When you take more money from your account than you have put in.
TELLER	The clerk who helps you at the bank.
WITHDRAW	When you take money out of your account.
FDIC	Federal Deposit Insurance Company

ACTIVITY 1

Choose five of the banking terms. Write a sentence for each term. Write the sentences in the Student Response Booklet.

HOW TO GET THE MOST FROM YOUR CHECKING ACCOUNT! There are several types of checking accounts. To open an account you must go to the bank. You fill out a signature card. You can then deposit money. The money is deposited for your use. You can write checks after opening the account and depositing money.

There are different kinds of checking accounts. Usually you must pay the bank a fee for a checking account. This is the most costly service the bank offers you. It costs them money to handle your money. So the fee for writing the check is usually 10¢ or 20¢ per check. Some accounts have a minimum balance. As long as you keep a certain amount of money in the account, you will not be charged a fee for writing checks. The amount you must keep in the account may vary from $100 to $500. Some banks even offer free checking accounts — meaning no charge for writing checks. It pays to shop for banking services.

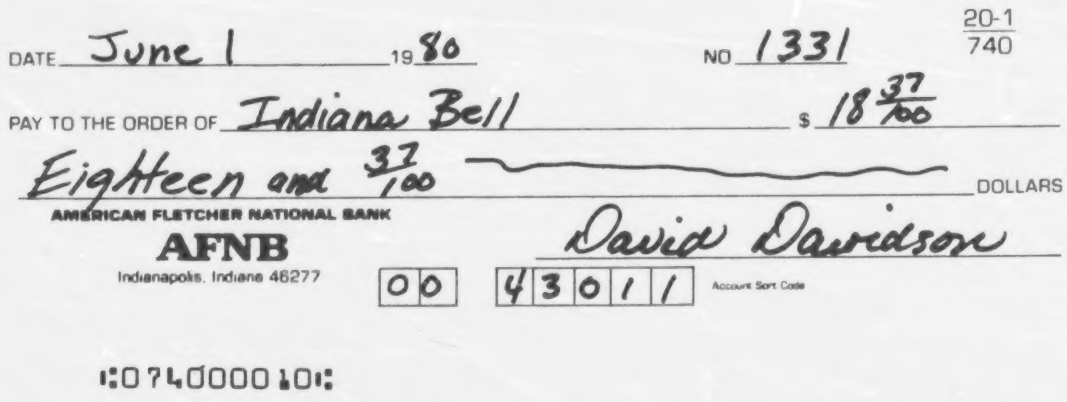
When you open the account the bank will provide you with:

1) Blank checks and deposit slips — you can later order checks with your name on them.
2) Checkbook cover that contains a register. The register has a place to list deposits. It has pages for you to write or record all checks that you write.

In order to make the best use of your checking account, remember these rules.

1) Always complete your check stub or register FIRST.
2) Number your check — if it isn't prenumbered by the bank.
3) Date your check correctly. Never use a future date.
4) Enter the name of person to whom the check is issued.
5) Enter the number amount — print clearly.
6) Write out the amount so there can be no question about the right amount.
7) Sign the check exactly as you did on the signature card.
8) Never cross out or change any part of your check. If you make a mistake write a new check. Void the old check by tearing up or writing void on it.

MR. DAVIDSON AND HIS CHECKING ACCOUNT. David Davidson has had a checking account for several years. He enjoys being able to write checks to pay his bills. In early June, Mr. Davidson wrote several checks. One of those checks was to pay his telephone bill. He wrote the check and mailed it to the phone company.



DATE June 1 19 80 NO 1331 20-1/740

PAY TO THE ORDER OF Indiana Bell $ 18 37/100

Eighteen and 37/100 DOLLARS

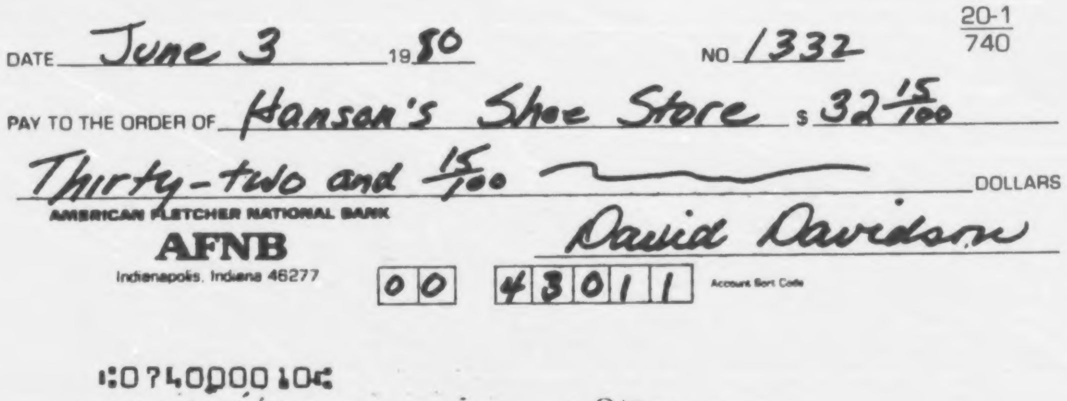
AMERICAN FLETCHER NATIONAL BANK
AFNB
Indianapolis, Indiana 46277

David Davidson

00 43011 Account Sort Code

⑆074000010⑆

Another check was written to pay for a new pair of shoes. The store manager asked to see two pieces of identification. He used his driver's license and a gas credit card. The store accepted the check.



DATE June 3 19 80 NO 1332 20-1/740

PAY TO THE ORDER OF Hanson's Shoe Store $ 32 15/100

Thirty-two and 15/100 DOLLARS

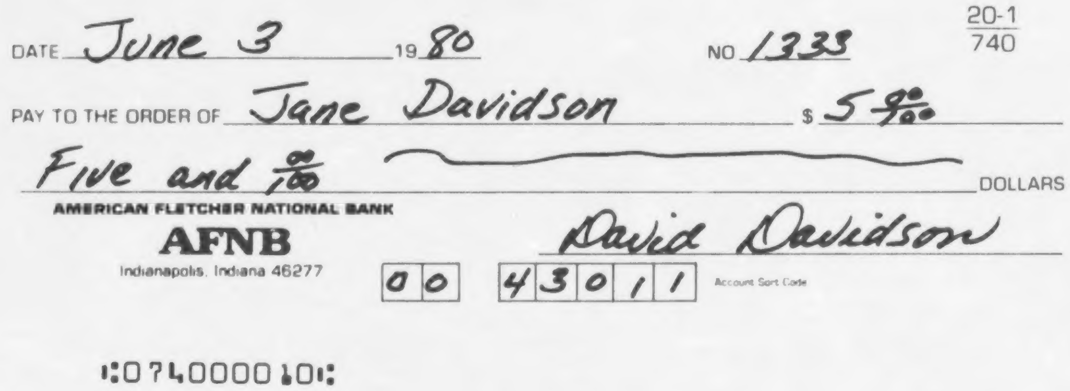
AMERICAN FLETCHER NATIONAL BANK
AFNB
Indianapolis, Indiana 46277

David Davidson

00 43011 Account Sort Code

⑆074000010⑆

Later that evening, Mr. Davidson wrote another check. It was made out to his sister, Jane. He put the check in a birthday card and mailed it to her.



DATE June 3 19 80 NO 1333 20-1/740

PAY TO THE ORDER OF Jane Davidson $ 5 00/100

Five and 00/100 DOLLARS

AMERICAN FLETCHER NATIONAL BANK
AFNB
Indianapolis, Indiana 46277

David Davidson

0 0 | 4 3 0 1 1 Account Sort Code

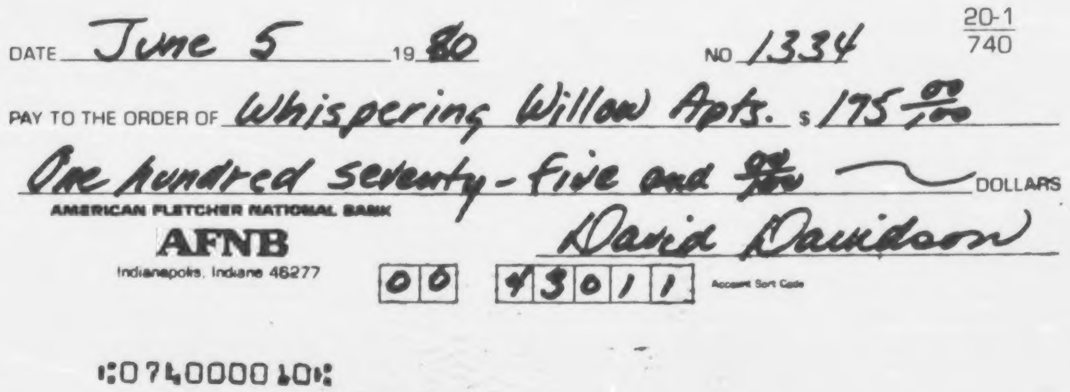
⑆074000010⑆

When Jane is ready to cash the check to buy her birthday present, she must endorse it. (To endorse a check, you must write your name on the back of the check.) The endorsement or signature should be near the top of the check. The name must be written exactly as it is written on the front of the check.

Reverse side of check

Jane Davidson

Mr. Davidson's rent is due by the 10th of each month. He usually pays it early. He also pays by check. The check becomes a receipt showing that he paid the rent.



DATE June 5 19 80 NO 1334 20-1/740

PAY TO THE ORDER OF Whispering Willow Apts. $ 175 00/100

One hundred seventy-five and 00/100 DOLLARS

AMERICAN FLETCHER NATIONAL BANK
AFNB
Indianapolis, Indiana 46277

David Davidson

0 0 | 4 3 0 1 1 Account Sort Code

⑆074000010⑆

Remember — if you make a mistake while writing a check, **never** cross out or change it. Tear it up. Write another check. Usually a check that has words crossed out or written over will not be accepted as payment. Always use ink to write a check. If you tear up a check, write its number in your register. Write **void** next to the number so you will remember what happened to the check.

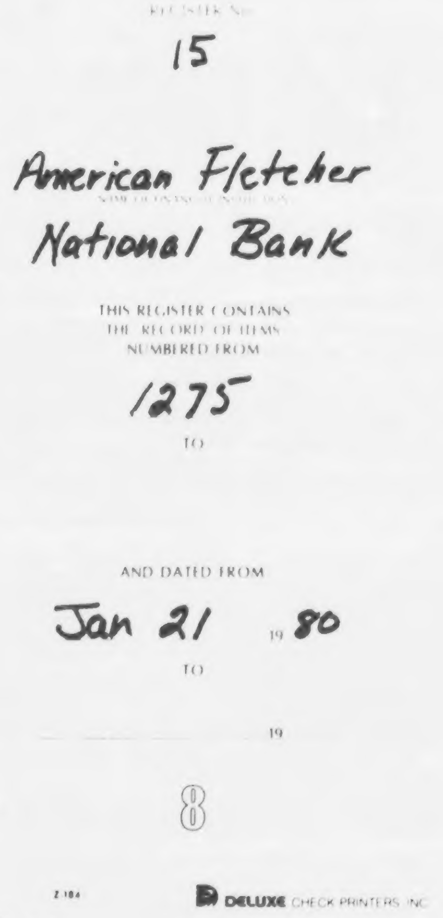
ACTIVITY 2

Mr. Davidson must write a check for his water bill. Fill in the check as he should do it. You will find a blank check in the Student Response Booklet. Here is the information you will need to write the check.

DATE: June 6, 1980
PAY TO: Indianapolis Water Company
AMOUNT: $5.24
NAME: David Davidson

Mr. Davidson knows how much is in his checking account at all times. Each time he writes a check, he marks it in his check register.

The front of Mr. Davidson's check register looks like this.



REGISTER No.
15

American Fletcher
NAME OF FINANCIAL INSTITUTION
National Bank

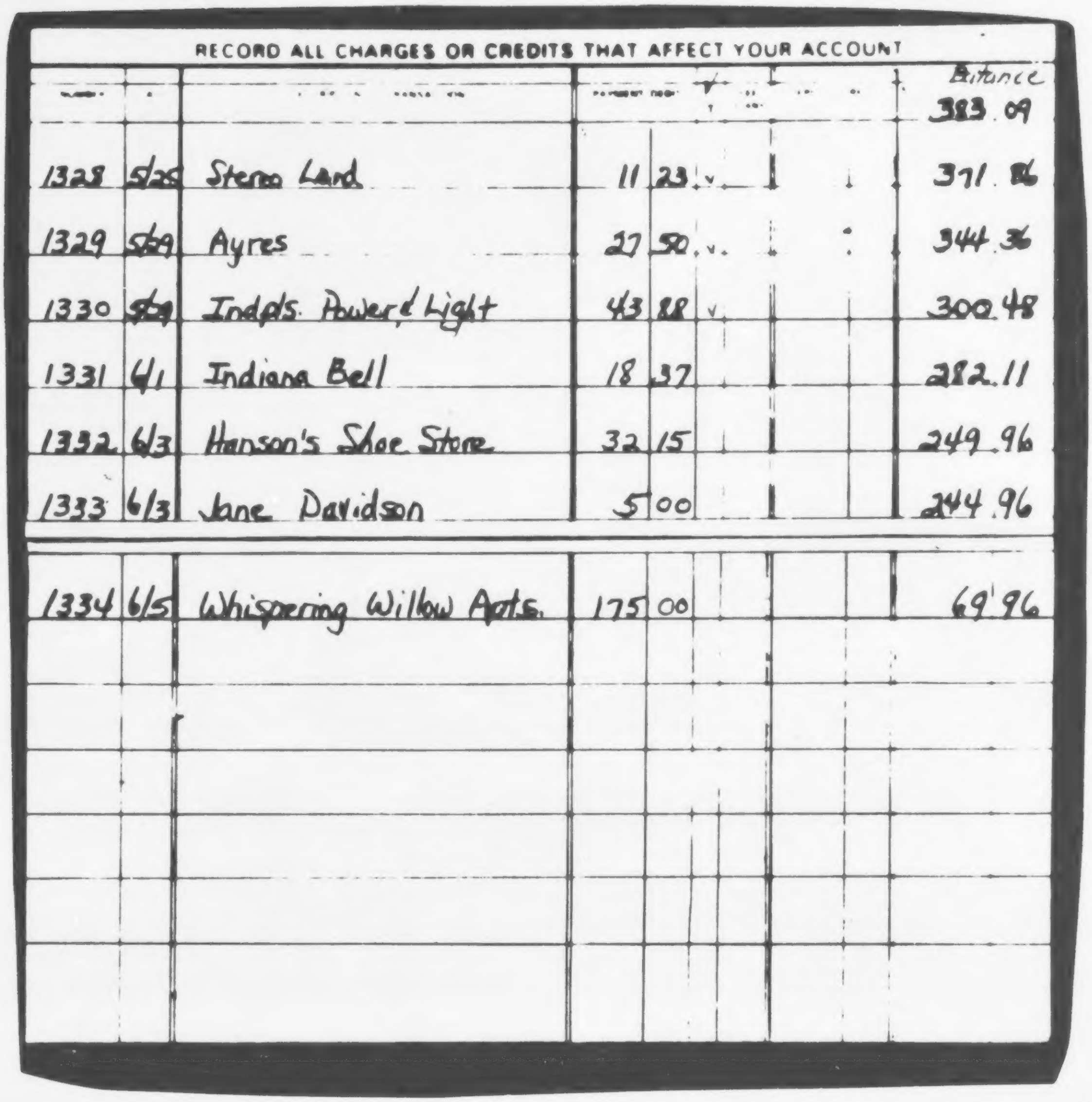
THIS REGISTER CONTAINS
THE RECORD OF ITEMS
NUMBERED FROM
1275
TO

AND DATED FROM
Jan 21 19 80
TO
19

8

Z-104 DELUXE CHECK PRINTERS INC

This is Mr. Davidson's check register. He keeps a record of the exact amount of each check that is written. Each time he writes a check, he subtracts the amount of the check from the balance in the right hand column.



RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

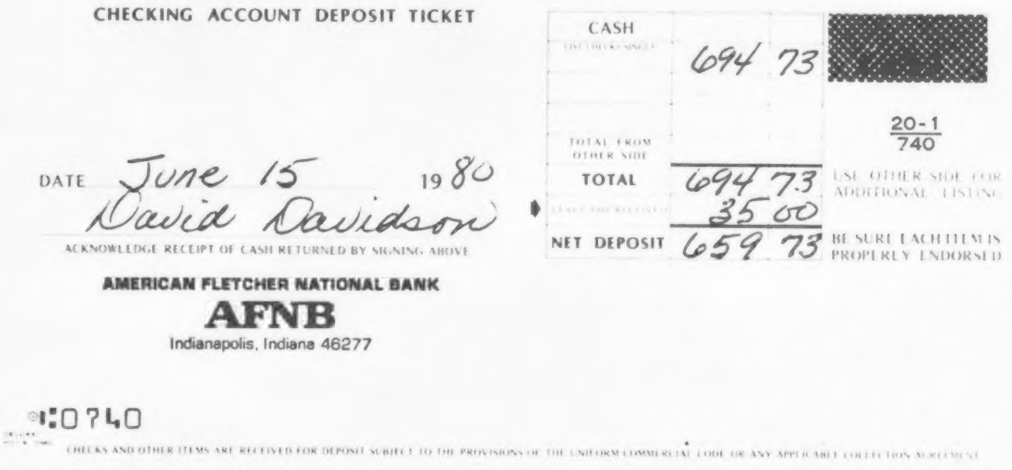
							Balance
							383.09
1328	5/25	Stereo Land	11	23	✓		371.86
1329	5/29	Ayres	27	50	✓		344.36
1330	5/29	Indpls. Power & Light	43	88	✓		300.48
1331	6/1	Indiana Bell	18	37			282.11
1332	6/3	Hanson's Shoe Store	32	15			249.96
1333	6/3	Jane Davidson	5	00			244.96
1334	6/5	Whispering Willow Apts.	175	00			69.96

ACTIVITY 3

Record the check you have written for Mr. Davidson in his check register. Do this in the Student Response Booklet.

Mr. Davidson works for the city. He is paid on the 15th of each month. When Mr. Davidson gets his check, he takes it to the bank.

Mr. Davidson has to fill out a special deposit slip to put his money in the bank. Here is Mr. Davidson's deposit slip.



CHECKING ACCOUNT DEPOSIT TICKET

DATE June 15 1980

David Davidson

ACKNOWLEDGE RECEIPT OF CASH RETURNED BY SIGNING ABOVE

AMERICAN FLETCHER NATIONAL BANK

AFNB

Indianapolis, Indiana 46277

CASH	694	73
TOTAL FROM OTHER SIDE		
TOTAL	694	73
[illegible]	35	00
NET DEPOSIT	659	73

20-1
740

USE OTHER SIDE FOR ADDITIONAL LISTING

BE SURE EACH ITEM IS PROPERLY ENDORSED

⑆0740

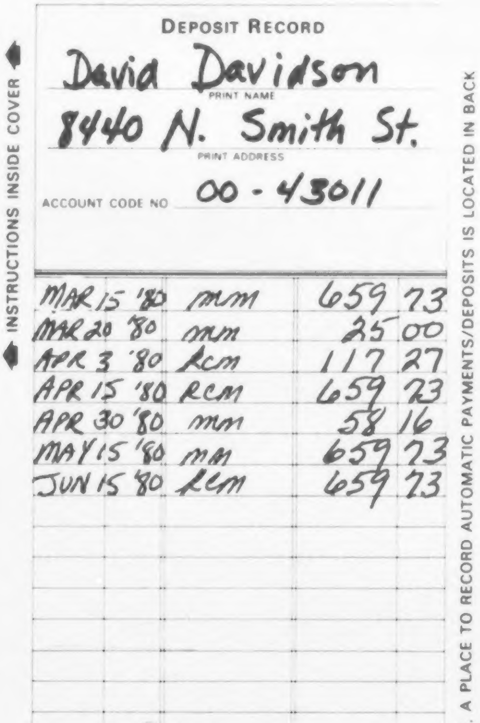
CHECKS AND OTHER ITEMS ARE RECEIVED FOR DEPOSIT SUBJECT TO THE PROVISIONS OF THE UNIFORM COMMERCIAL CODE OR ANY APPLICABLE COLLECTION AGREEMENT

Mr. Davidson's paycheck is for $694.73. He wanted to keep $35.00 in cash and deposit the rest into his checking account.

$$\begin{array}{r} \$694.73 \\ -\ 35.00 \\ \hline \$659.73 \end{array}$$

The teller gave him $35.00 in cash. The teller recorded the deposit in the front of Mr. Davidson's check register. The page is called the deposit record.

Here is Mr. Davidson's deposit record.



DEPOSIT RECORD

David Davidson
PRINT NAME

8440 N. Smith St.
PRINT ADDRESS

ACCOUNT CODE NO 00 - 43011

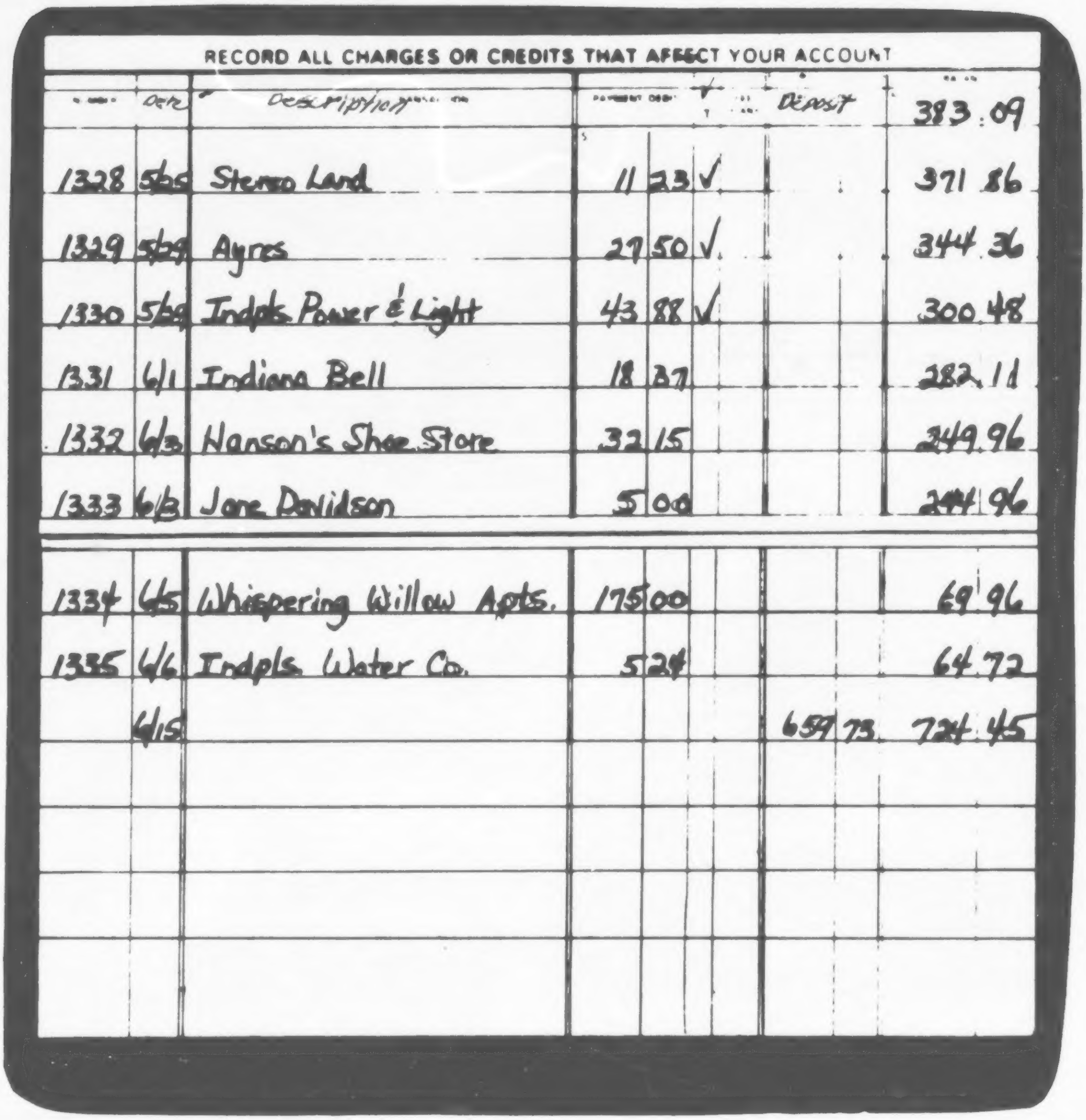
MAR 15	'80	mm	659	73
MAR 20	'80	mm	25	00
APR 3	'80	Rcm	117	27
APR 15	'80	RCM	659	73
APR 30	'80	mm	58	16
MAY 15	'80	mm	659	73
JUN 15	'80	Rcm	659	73

◆ INSTRUCTIONS INSIDE COVER ◆

A PLACE TO RECORD AUTOMATIC PAYMENTS/DEPOSITS IS LOCATED IN BACK

Mr. Davidson needs to add this amount to his records, too. He will write it in his check register. A deposit is written just below the last check entered. However, the amount is **added** instead of subtracted.

Here is Mr. Davidson's check register.



RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

	Date	Description		√	Deposit	383.09
1328	5/25	Stereo Land	11 23	√		371 86
1329	5/29	Ayres	27 50	√		344.36
1330	5/29	Indpls. Power & Light	43 88	√		300.48
1331	6/1	Indiana Bell	18 37			282.11
1332	6/3	Hanson's Shoe Store	32 15			249.96
1333	6/3	Jane Davidson	5 00			244 96
1334	6/5	Whispering Willow Apts.	175 00			69 96
1335	6/6	Indpls. Water Co.	5 24			64.72
	6/15				659 73	724.45

Mr. Davidson left the "Number" column blank. Then he filled in today's date, 6/15. He also left blank the **Description** and **Payment** columns. He wrote $659.73 in the **Deposit** column. Then he added this amount to what was already in his checking account.

$$\begin{array}{r} \$\ 64.72 \\ \underline{659.73} \\ \$724.45 \end{array}$$

ACTIVITY 4

Last week Jim Tanner borrowed $15 from his friend, Mr. Davidson. On Friday, Jim repaid the loan. He gave Mr. Davidson a check for the right amount. Mr. Davidson decided to deposit the money in his checking account. Fill out the deposit slip in the Student Response Booklet. Here is the information you will need.

DATE: June 18, 1980
CHECK: $15.00
TOTAL: $15.00
NET DEPOSIT: $15.00

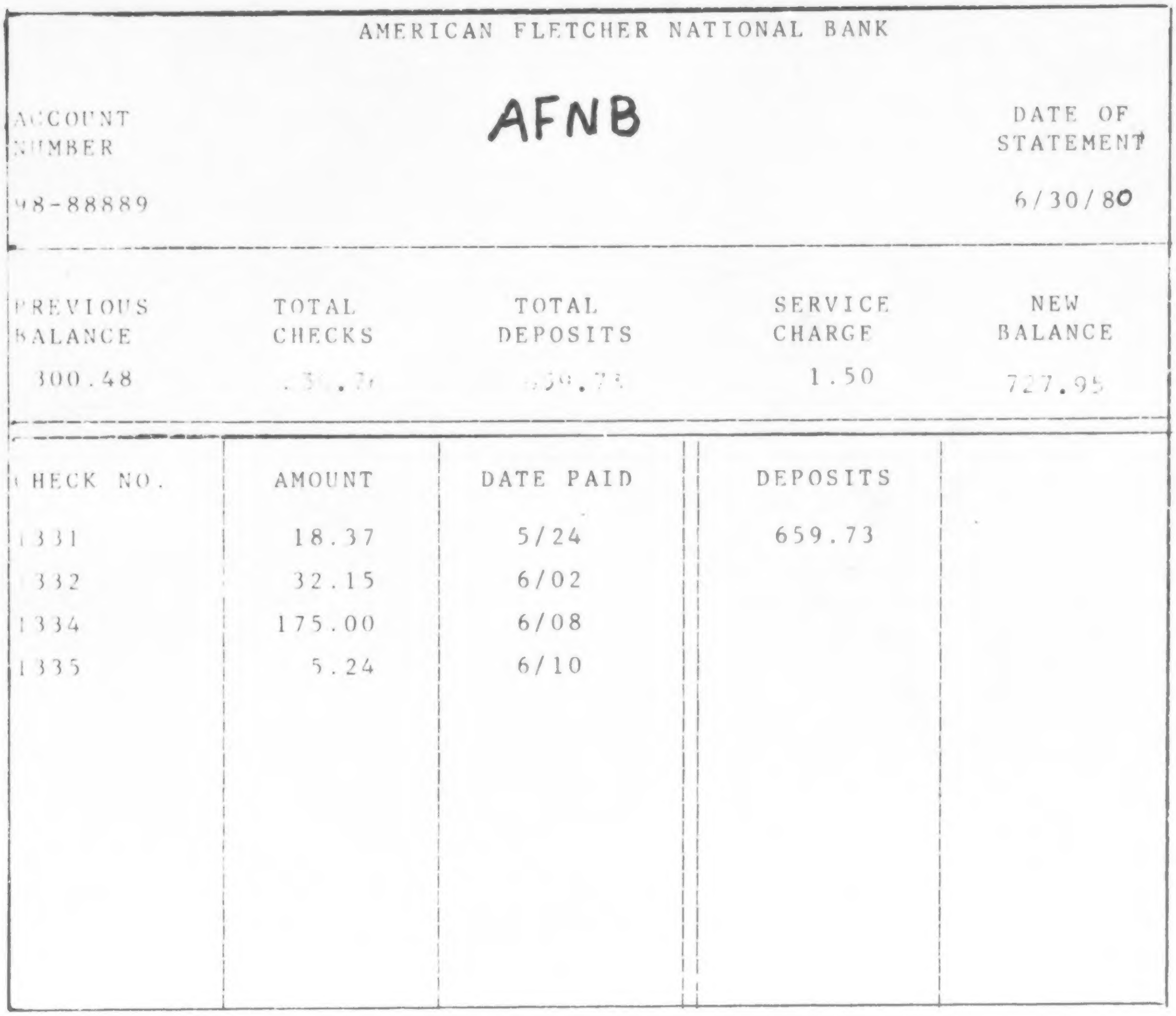
ACTIVITY 5

You now have the checking deposit slip filled out for Mr. Davidson. Record the check in his check register. You will find this in the Student Response Booklet.

BANK STATEMENTS. Each month the bank sends a statement to people who have a checking account. Every check a person writes is sent to the bank for payment. For example, the check that Mr. Davidson mailed to the telephone company was deposited in the bank used by the phone company. This bank sent the check to Mr. Davidson's bank. His bank took money from his account to pay the check. Finally this check and other checks written by Mr. Davidson were mailed back to him. Along with the checks, the bank sends a bank statement. This is a listing which includes information that Mr. Davidson should keep permanently. The bank statement includes the following information.

1) statement date
2) account number
3) checks written by Mr. Davidson and paid by the bank
4) deposits and deposit slips
5) service charge
6) previous balance and new balance

This is the information on Mr. Davidson's statement.



AMERICAN FLETCHER NATIONAL BANK

AFNB

ACCOUNT NUMBER 98-88889

DATE OF STATEMENT 6/30/80

PREVIOUS BALANCE	TOTAL CHECKS	TOTAL DEPOSITS	SERVICE CHARGE	NEW BALANCE
300.48	230.76	659.73	1.50	727.95

CHECK NO.	AMOUNT	DATE PAID	DEPOSITS
1331	18.37	5/24	659.73
1332	32.15	6/02	
1334	175.00	6/08	
1335	5.24	6/10	

The purpose of a monthly bank statement is to help bank customers keep their checkbook records straight. Bank statements should be reconciled when they are received. Reconcilement is a banking term for balancing a checkbook.

Many bank statements include step by step instructions on how to balance your checkbook. These steps are as follows:

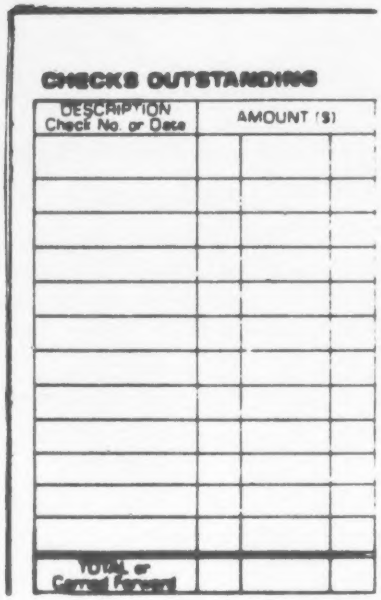
A. Put all of the paid checks that come back in order with the statement. The order should be by check number or date.

B. Open your checkbook record. This is the part of the checkbook where all the checks written are noted. Put a (✓) by the amount of each check that came back from the bank.

C. Look at your statement to see if any charges such as a service charge or check fees are on it. If there are charges, write them in your checkbook record. Subtract the amount from the balance.

D. The back side of the statement sent out by most banks has a place to list checks **outstanding.** Checks are called **outstanding** if they have not been cashed yet. These checks have been written, but they have not yet come back with a statement.

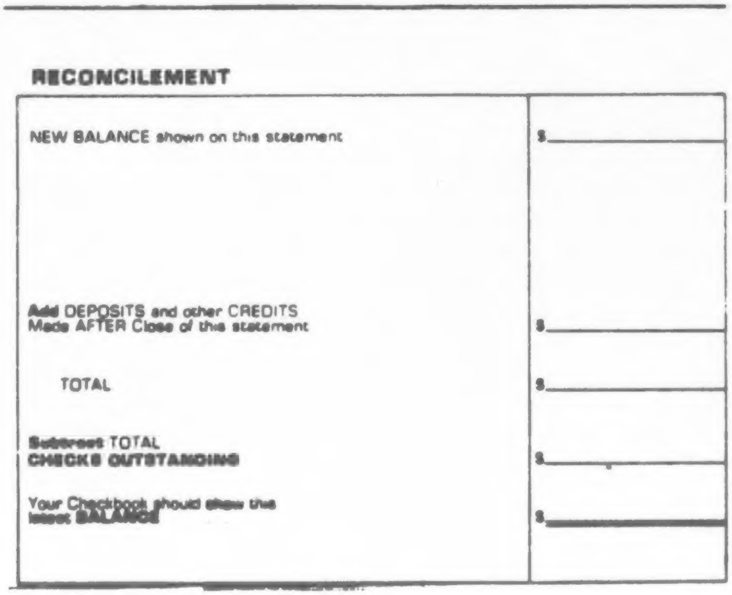
Write the amount of any outstanding checks on the back of the statement. Add the amounts to get a total.



CHECKS OUTSTANDING

DESCRIPTION Check No. or Date	AMOUNT ($)		
TOTAL or Carried Forward			

E. You will also find a reconcilement form on the back of the bank statement.



RECONCILEMENT

NEW BALANCE shown on this statement	$
Add DEPOSITS and other CREDITS Made AFTER Close of this statement	$
TOTAL	$
Subtract TOTAL **CHECKS OUTSTANDING**	$
Your Checkbook should show this latest **BALANCE**	$

The top line asks for the NEW BALANCE. Get this figure from the other side of the bank statement. Next, add any deposits you made that are not shown on the statement.

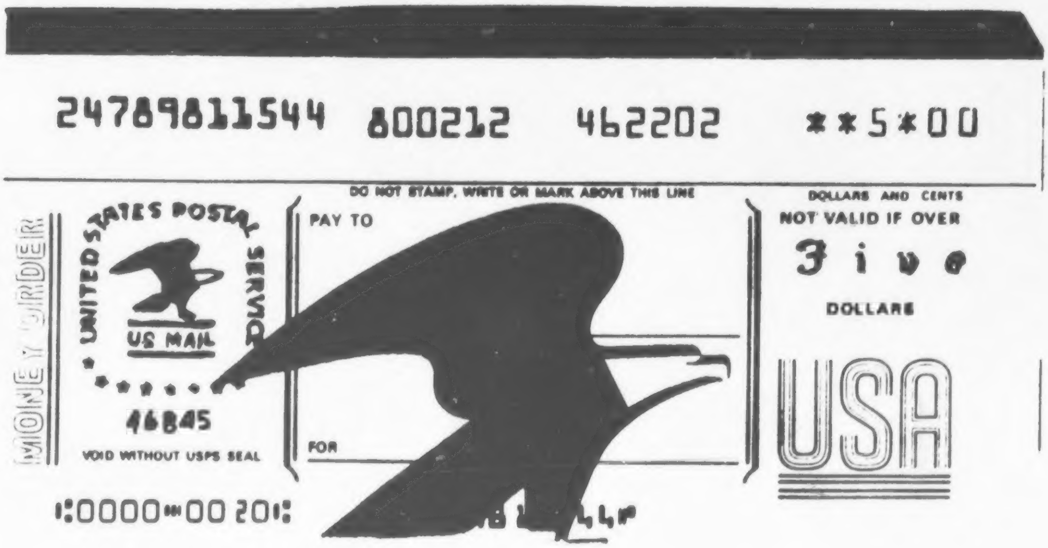
Finally, subtract your outstanding check total. The amount you have left should be the same as the balance in your check book.

ACTIVITY 6

In this activity you will balance a bank statement. The forms you need are in your Student Response Booklet. The information you need from the bank statement is listed.

1. Most of the checks have been cancelled. One check is missing. It was check number 1333 in the amount of $5.00.
2. Make a (✓) in the register by the checks that have been returned.
3. The service charge was $1.50. Write this amount in the checkbook record, and subtract.
4. List the outstanding check on the correct form.
5. Fill out the RECONCILEMENT form. The new balance was $727.95. There was a $15.00 deposit. Subtract the amount of the outstanding check.
6. The balance should be the same as the one in the checkbook record. If the balances do not match, ask your teacher for help.

If you do not have a checking account, there are other ways to transfer money without using cash. Use of a **money order** is one popular method. Use of a **cashier's check** is another method.



24789811544 800212 462202 **5*00

DO NOT STAMP, WRITE OR MARK ABOVE THIS LINE

DOLLARS AND CENTS

MONEY ORDER

UNITED STATES POSTAL SERVICE

US MAIL

46845

VOID WITHOUT USPS SEAL

PAY TO

FOR

NOT VALID IF OVER

Five

DOLLARS

USA

⑆0000⑈00 20⑆

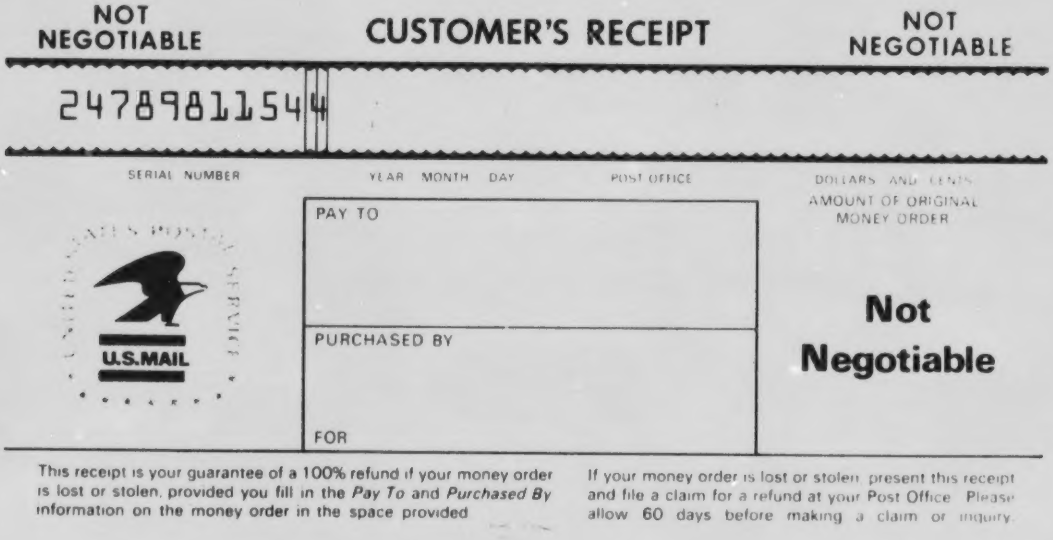
You may buy a money order many places, including the bank, the post office, grocery stores and drugstores. The example is for $5.00. Suppose you want to order flower seeds through the mail. The seed company will not take checks. You would first purchase your money order and then fill it out as follows:

PAY TO (Name of Flower Seed Company)

PURCHASED BY (Your name)

FOR Flower seeds

You must also fill out the customer's receipt. You will keep this as proof that you bought the money order.



NOT NEGOTIABLE **CUSTOMER'S RECEIPT** NOT NEGOTIABLE

2478981154 4

SERIAL NUMBER YEAR MONTH DAY POST OFFICE DOLLARS AND CENTS

AMOUNT OF ORIGINAL MONEY ORDER

U.S.MAIL

PAY TO

PURCHASED BY

FOR

Not Negotiable

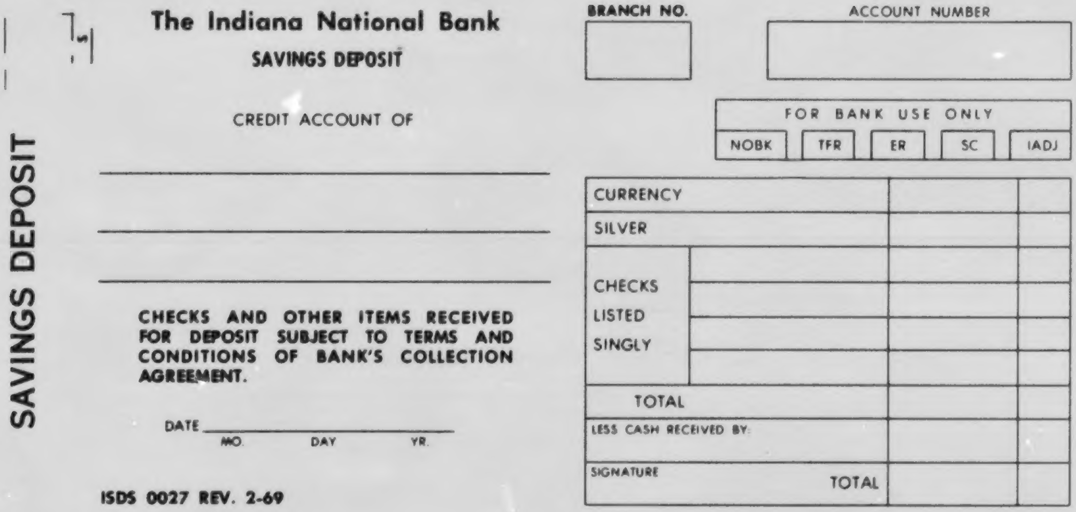
This receipt is your guarantee of a 100% refund if your money order is lost or stolen, provided you fill in the *Pay To* and *Purchased By* information on the money order in the space provided

If your money order is lost or stolen, present this receipt and file a claim for a refund at your Post Office. Please allow 60 days before making a claim or inquiry.

A cashier's check is a check from the bank. This type of check is often used when a large amount of money is being transferred. A cashier's check may be required when a person buys a house or a car.

SAVINGS ACCOUNT. Another type of a bank account is a savings account. In this type of account money earns interest. Interest is extra money the bank pays a person for saving with them. A savings account may be a single account or a joint account. In a joint account, two people may take money out. Often a husband and wife prefer a joint account. There are many kinds of savngs accounts. To find out what type is best for you, ask about savings plans at several places. Ask at a bank, a savings and loan company, and perhaps a credit union.

If you have a savings account at a bank, whenever you deposit money you must fill out a deposit slip.



SAVINGS DEPOSIT

The Indiana National Bank

SAVINGS DEPOSIT

CREDIT ACCOUNT OF

CHECKS AND OTHER ITEMS RECEIVED FOR DEPOSIT SUBJECT TO TERMS AND CONDITIONS OF BANK'S COLLECTION AGREEMENT.

DATE ______ MO. DAY YR.

ISDS 0027 REV. 2-69

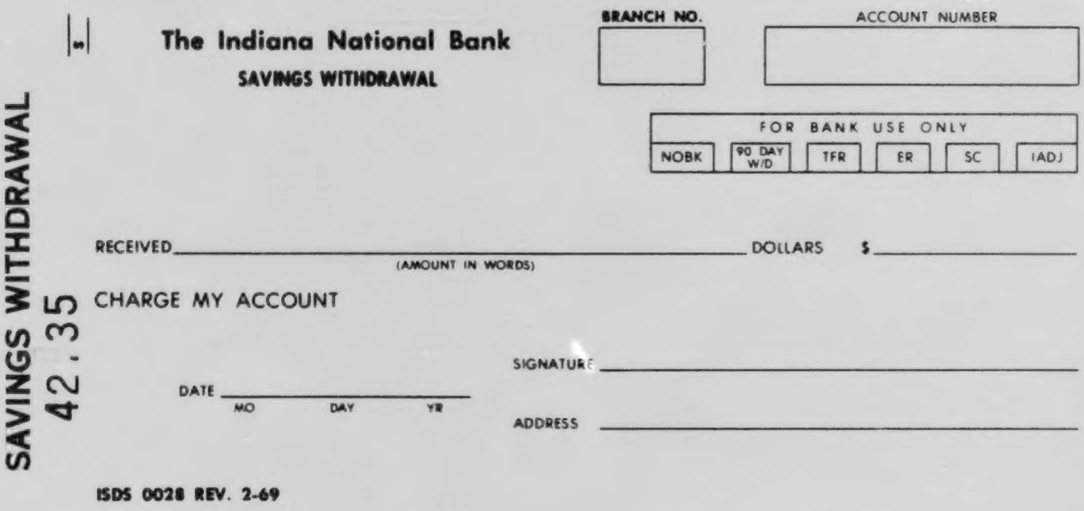
BRANCH NO. ACCOUNT NUMBER

FOR BANK USE ONLY

NOBK TFR ER SC IADJ

CURRENCY		
SILVER		
CHECKS LISTED SINGLY		
TOTAL		
LESS CASH RECEIVED BY		
SIGNATURE TOTAL		

When you take money out, you must fill out a withdrawal slip.



SAVINGS WITHDRAWAL
42.35

The Indiana National Bank
SAVINGS WITHDRAWAL

BRANCH NO. ☐
ACCOUNT NUMBER ☐

FOR BANK USE ONLY					
NOBK	90 DAY W/D	TFR	ER	SC	IADJ

RECEIVED ______________________ DOLLARS $ __________
(AMOUNT IN WORDS)

CHARGE MY ACCOUNT

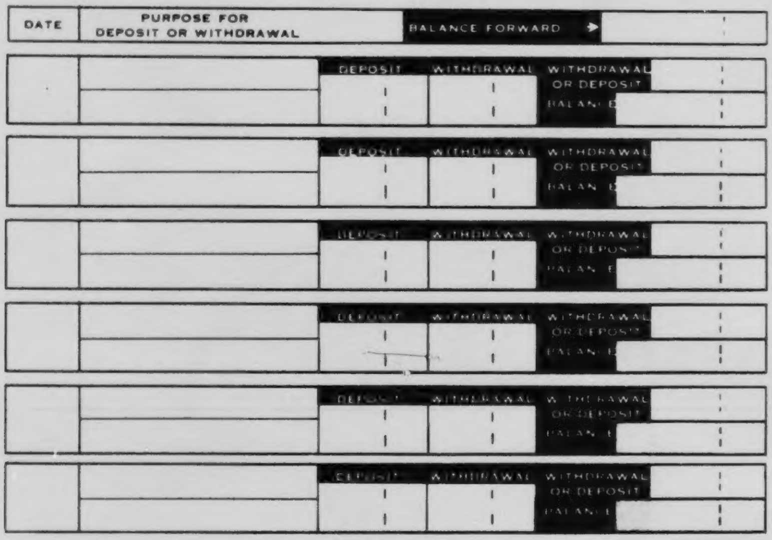
SIGNATURE ______________________

DATE ______________
MO DAY YR

ADDRESS ______________________

ISDS 0028 REV. 2-69

When you open a savings account the bank gives you a record book. It may look something like this example, or it may look more like a check book register.



DATE	PURPOSE FOR DEPOSIT OR WITHDRAWAL			BALANCE FORWARD →	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	

You must be sure to write every deposit and withdrawal in your record book.

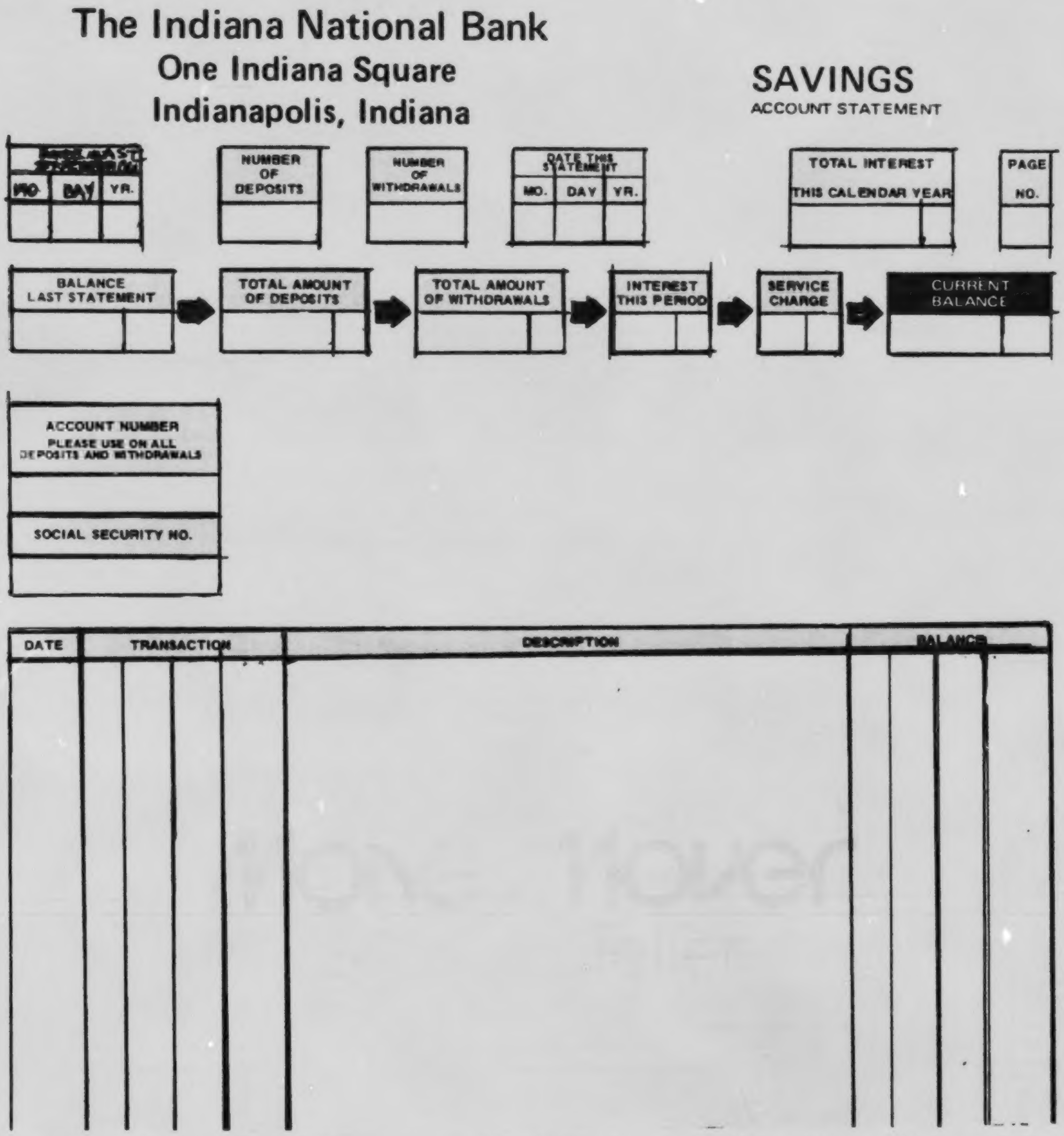
ACTIVITY 7

Complete this activity in the Student Response Booklet. You will find a savings deposit slip, withdrawal slip, and a record page. Your account number if 05075362.

1. Fill out the deposit slip using this information: You deposited a check for $75.00 on April 8, 1980. The money came from your pay check.
2. Fill out the withdrawal slip using this information:

   You need money to buy new shoes. You make a $28.00 withdrawal on May 1, 1980.
3. Record the deposit and withdrawal on the savings register. Figure the balance each time.

Banks send out a savings account statement to their savings account customers. The statement has the following information on it.



The Indiana National Bank
One Indiana Square
Indianapolis, Indiana

SAVINGS
ACCOUNT STATEMENT

[illegible] LAST STATEMENT			NUMBER OF DEPOSITS	NUMBER OF WITHDRAWALS	DATE THIS STATEMENT			TOTAL INTEREST THIS CALENDAR YEAR	PAGE NO.
MO.	DAY	YR.			MO.	DAY	YR.		

BALANCE LAST STATEMENT	TOTAL AMOUNT OF DEPOSITS	TOTAL AMOUNT OF WITHDRAWALS	INTEREST THIS PERIOD	SERVICE CHARGE	CURRENT BALANCE

ACCOUNT NUMBER PLEASE USE ON ALL DEPOSITS AND WITHDRAWALS
SOCIAL SECURITY NO.

DATE	TRANSACTION	DESCRIPTION	BALANCE

Always check the statement with your record book. The amount of deposits or withdrawals on the statement should match your records. The interest for this period should be added to your record sheet.

LOANS. Can you borrow money? Is your credit good? These are important questions that you must ask yourself. The strength of the American economy rests in being able to borrow money. Your community bank is glad to lend you money. If banks didn't make loans, they would go out of business. Remember we said, "The bank is in the business to rent money." It is through loans that banks earn most of the money they pay you in interest when you have a savings account or other interest earning accounts.

The bank must be sure that you are a good credit risk. That means that you pay your bills on time and when due.

Loans are listed in two classes: business and personal. Business loans are loans to business men, to help keep their companies working. Personal loans are usually personal loans for small purchases. Other services in this area are credit cards, signature loans.

These are just a small sample of the kinds of loans your bank offers. It is true that the bank can make a loan to fit almost any need you may have. So call on your banker. Ask him for help. This is his business. This is his job. This is the job of the community bank.

ACTIVITY 8

If you think you will need to borrow money from the bank in the near future, this activity is for you. You will find a loan application in the Student Response Booklet. Read the application. See how many of the questions you can answer. You will then be able to fill out the credit application when you go to the bank. Each bank has a different form, but they all have many questions in common. If you need help ask your teacher for assistance.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 16
BANKING

NAME ____

DATE ______________________

ACTIVITY 1

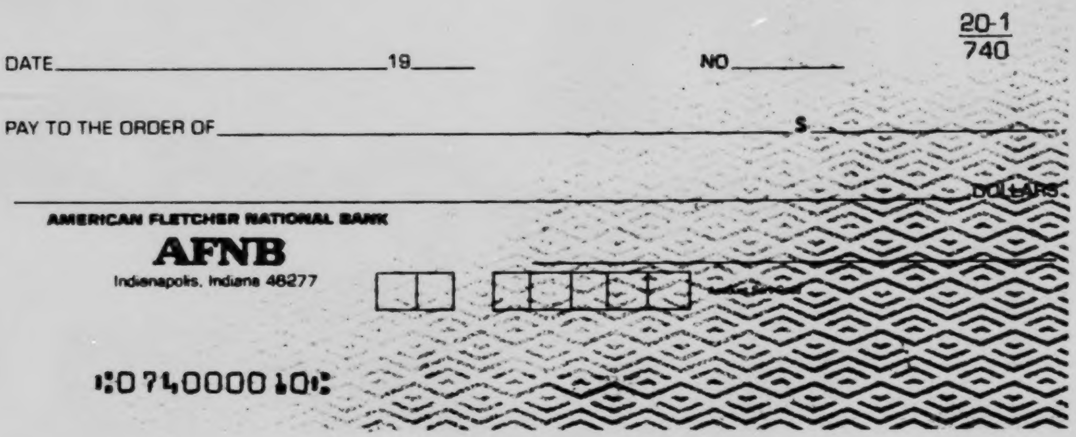
Choose five banking terms. Write a sentence for each term.

1. ______________________________
2. ______________________________
3. ______________________________
4. ______________________________
5. ______________________________

ACTIVITY 2

Fill in the blank check using the following information:

Date: June 6, 1979
Pay to: Indianapolis Water Company
Amount: $5.24
Five dollars and 24/100
Name: David Davidson



20-1/740

DATE ____________________ 19_____ NO ________

PAY TO THE ORDER OF ______________________________ $ ________

____ DOLLARS

AMERICAN FLETCHER NATIONAL BANK

AFNB

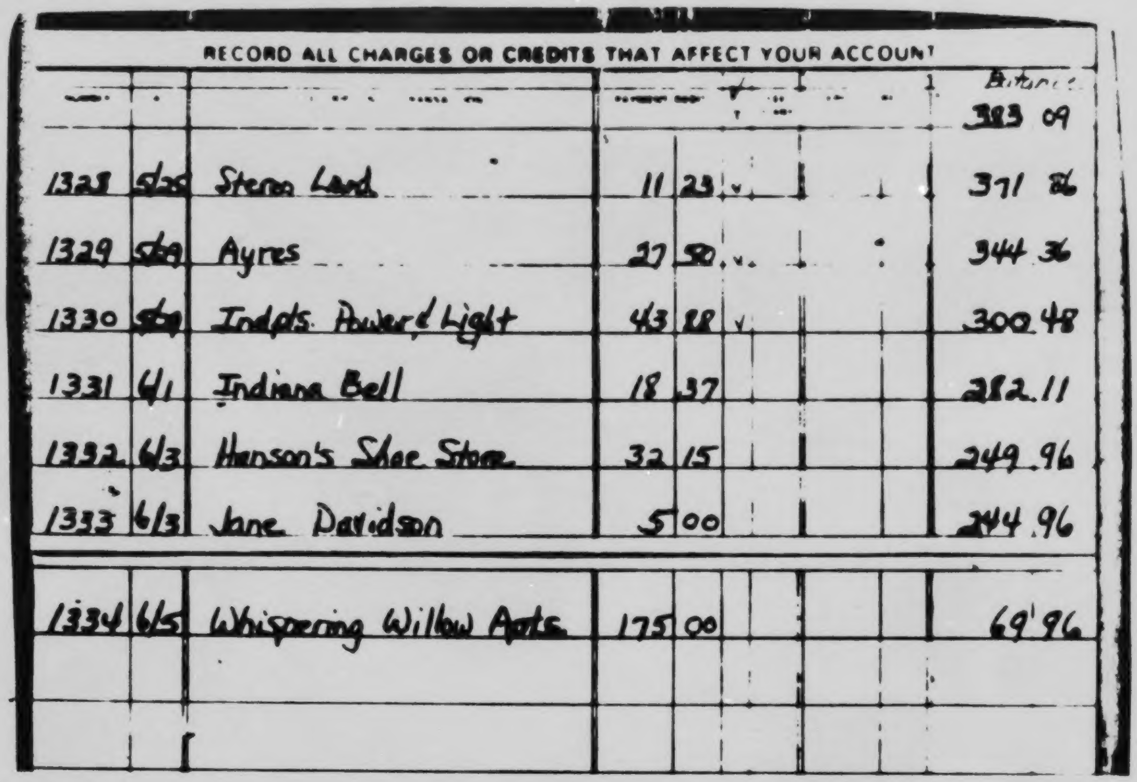
Indianapolis, Indiana 46277

☐☐ ☐☐☐☐☐

⑆074000010⑆

ACTIVITY 3

In Activity 2 you wrote a check for Mr. Davidson to the water company. Record this check in his check register.



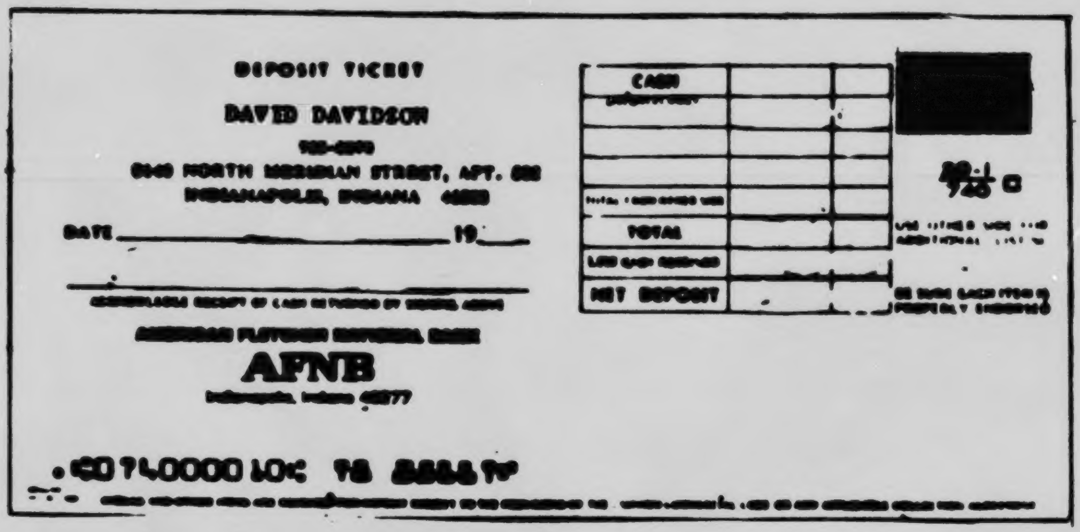
RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

						Balance
						383 09
1328	5/26	Stereo Land	11	23	✓	371 86
1329	5/29	Ayres	27	50	✓	344 36
1330	5/29	Indpls. Power & Light	43	88	✓	300 48
1331	6/1	Indiana Bell	18	37		282.11
1332	6/3	Hanson's Shoe Store	32	15		249.96
1333	6/3	Jane Davidson	5	00		244.96
1334	6/5	Whispering Willow Apts.	175	00		69.96

ACTIVITY 4

Fill out the checking deposit slip for Mr. Davidson using the following information:

Date:	June 18, 1980
Check Amount:	$15.00
Total:	$15.00
Net Deposit:	$15.00



DEPOSIT TICKET

DAVID DAVIDSON

NORTH MERIDIAN STREET, APT.

INDIANAPOLIS, INDIANA

DATE ______________________ 19___

CASH		
TOTAL		
NET DEPOSIT		

AMERICAN FLETCHER NATIONAL BANK

AFNB

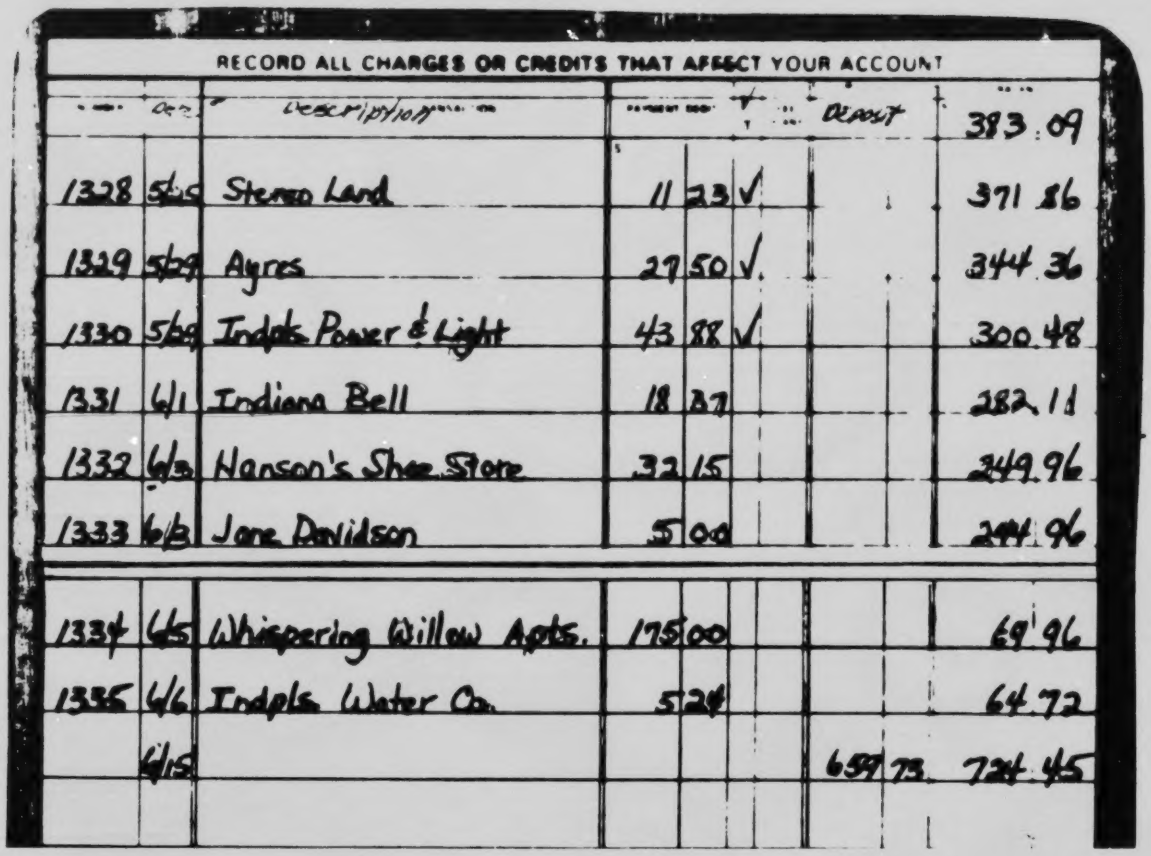
Indianapolis, Indiana 46277

ACTIVITY 5

Record the check on the register in Activity 3.

ACTIVITY 6

Follow the steps listed in your SAT Packet under Activity 6.



RECORD ALL CHARGES OR CREDITS THAT AFFECT YOUR ACCOUNT

[illegible]	Date	Description	[illegible]	✓	Deposit	383.09
1328	5/25	Stereo Land	11.23	✓		371.86
1329	5/29	Ayres	27.50	✓		344.36
1330	5/29	Indpls Power & Light	43.88	✓		300.48
1331	6/1	Indiana Bell	18.37			282.11
1332	6/3	Hanson's Shoe Store	32.15			249.96
1333	6/3	Jane Davidson	5.00			244.96
1334	6/5	Whispering Willow Apts.	175.00			69.96
1335	6/6	Indpls. Water Co.	5.24			64.72
	6/15				659.73	724.45

CHECKS OUTSTANDING

DESCRIPTION Check No. or Date	AMOUNT ($)
TOTAL or Carried Forward	

RECONCILEMENT

NEW BALANCE shown on this statement $______

Add DEPOSITS and other CREDITS Made AFTER Close of this statement $______

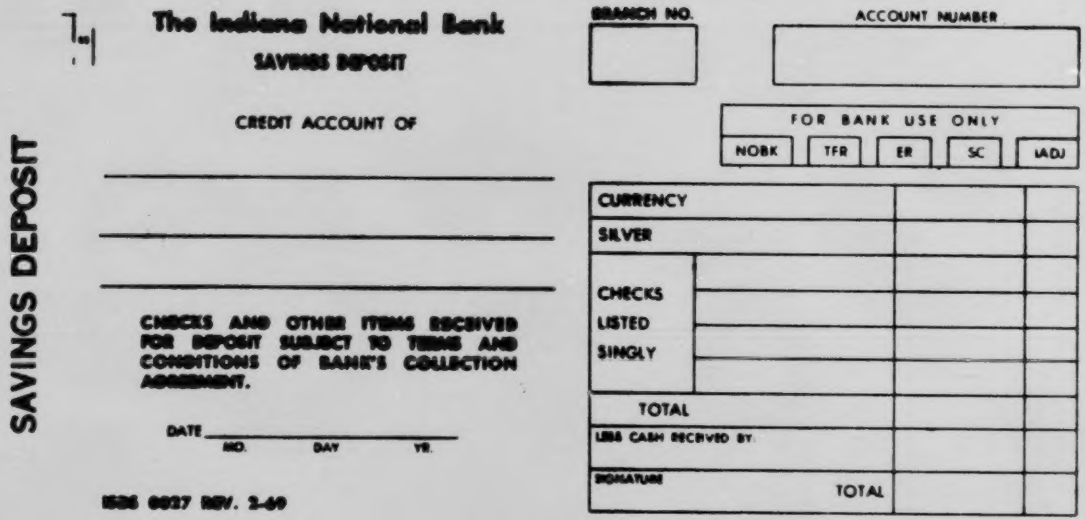
TOTAL $______

Subtract TOTAL **CHECKS OUTSTANDING** $______

Your Checkbook should show this latest **BALANCE** $______

ACTIVITY 7

Savings Deposit Slip



SAVINGS DEPOSIT

The Indiana National Bank

SAVINGS DEPOSIT

CREDIT ACCOUNT OF

____

____

____

CHECKS AND OTHER ITEMS RECEIVED FOR DEPOSIT SUBJECT TO TERMS AND CONDITIONS OF BANK'S COLLECTION AGREEMENT.

DATE ______________________
MO. DAY YR.

1526 0027 REV. 2-69

BRANCH NO. ☐

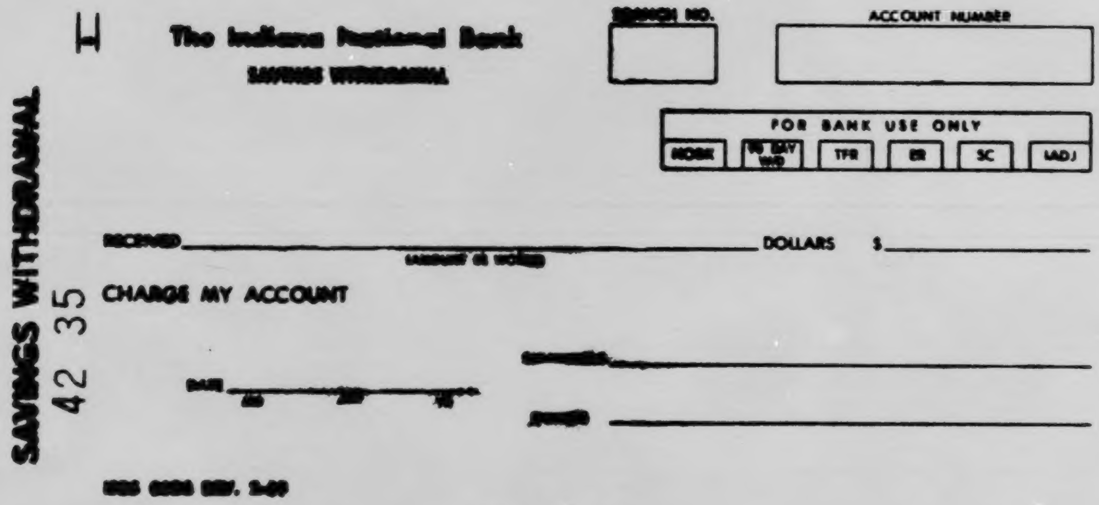
ACCOUNT NUMBER ☐

FOR BANK USE ONLY

NOBK	TFR	ER	SC	IADJ

CURRENCY			
SILVER			
CHECKS LISTED SINGLY			
TOTAL			
LESS CASH RECEIVED BY			
SIGNATURE	TOTAL		

Savings Withdrawal Slip



SAVINGS WITHDRAWAL

42 35

The Indiana National Bank

SAVINGS WITHDRAWAL

BRANCH NO. ☐

ACCOUNT NUMBER ☐

FOR BANK USE ONLY

NOBK	[illegible] W/D	TFR	ER	SC	IADJ

RECEIVED ______________________ DOLLARS $ __________
(AMOUNT IN WORDS)

CHARGE MY ACCOUNT

SIGNATURE ______________________

DATE ______________________
MO. DAY YR.

[illegible] ______________________

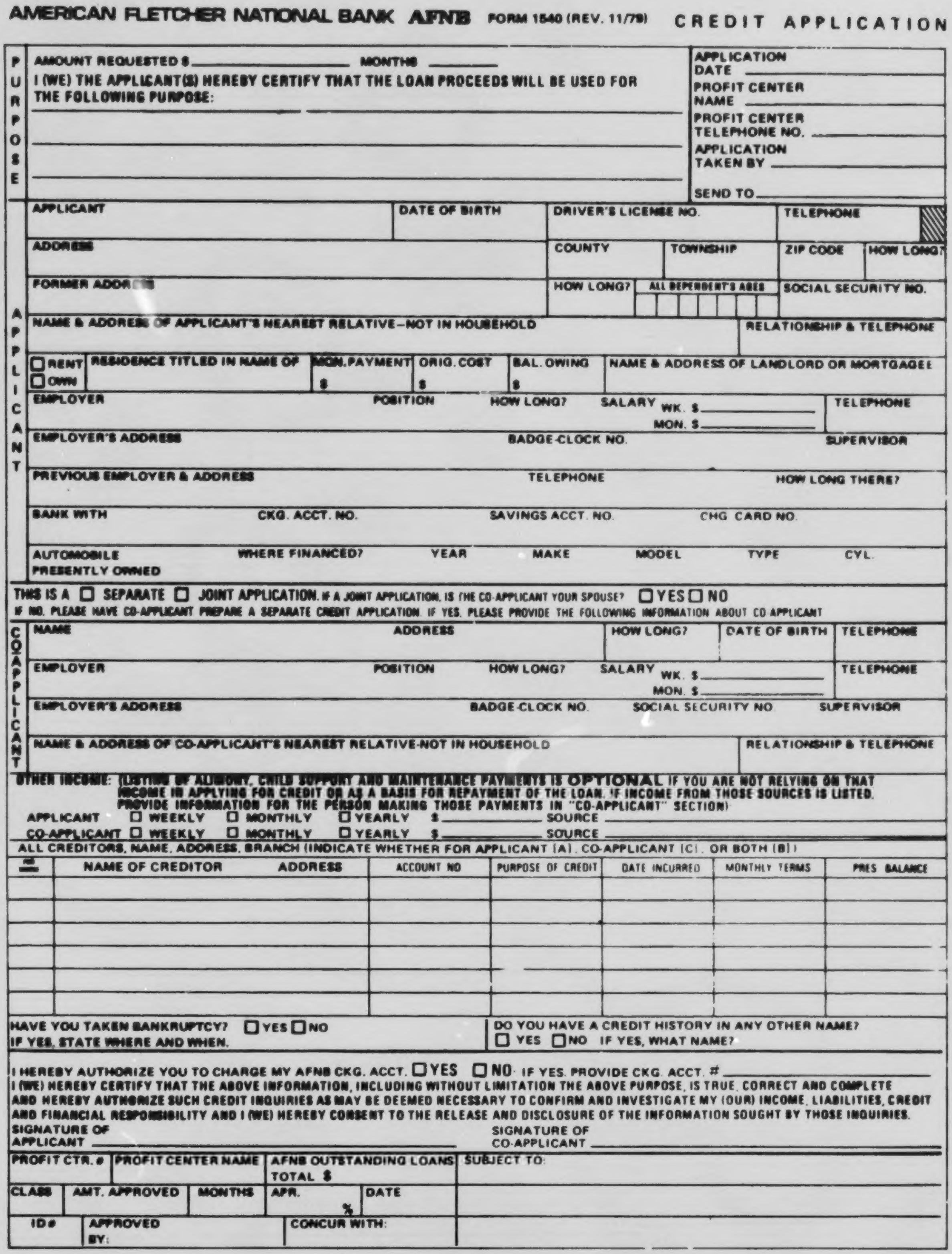
[illegible] REV. 2-69

Record page for deposit or withdrawal

DATE	PURPOSE FOR DEPOSIT OR WITHDRAWAL			BALANCE FORWARD →	320 21
12/23	Holiday gifts	DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	100 00
			100 00	BALANCE	220 21
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	
		DEPOSIT	WITHDRAWAL	WITHDRAWAL OR DEPOSIT	
				BALANCE	

ACTIVITY 8

Fill in the application form.



AMERICAN FLETCHER NATIONAL BANK AFNB FORM 1540 (REV. 11/79) CREDIT APPLICATION

PURPOSE

AMOUNT REQUESTED $ ____________ MONTHS ______

I (WE) THE APPLICANT(S) HEREBY CERTIFY THAT THE LOAN PROCEEDS WILL BE USED FOR THE FOLLOWING PURPOSE: ____________

APPLICATION DATE ______

PROFIT CENTER NAME ______

PROFIT CENTER TELEPHONE NO. ______

APPLICATION TAKEN BY ______

SEND TO ______

APPLICANT

APPLICANT	DATE OF BIRTH	DRIVER'S LICENSE NO.	TELEPHONE

ADDRESS	COUNTY	TOWNSHIP	ZIP CODE	HOW LONG?

FORMER ADDRESS	HOW LONG?	ALL DEPENDENT'S AGES	SOCIAL SECURITY NO.

NAME & ADDRESS OF APPLICANT'S NEAREST RELATIVE—NOT IN HOUSEHOLD	RELATIONSHIP & TELEPHONE

☐ RENT ☐ OWN	RESIDENCE TITLED IN NAME OF	MON. PAYMENT $	ORIG. COST $	BAL. OWING $	NAME & ADDRESS OF LANDLORD OR MORTGAGEE

EMPLOYER POSITION HOW LONG? SALARY WK. $ ______ MON. $ ______ TELEPHONE

EMPLOYER'S ADDRESS BADGE-CLOCK NO. SUPERVISOR

PREVIOUS EMPLOYER & ADDRESS TELEPHONE HOW LONG THERE?

BANK WITH CKG. ACCT. NO. SAVINGS ACCT. NO. CHG CARD NO.

AUTOMOBILE PRESENTLY OWNED WHERE FINANCED? YEAR MAKE MODEL TYPE CYL.

THIS IS A ☐ SEPARATE ☐ JOINT APPLICATION. IF A JOINT APPLICATION, IS THE CO-APPLICANT YOUR SPOUSE? ☐ YES ☐ NO

IF NO, PLEASE HAVE CO-APPLICANT PREPARE A SEPARATE CREDIT APPLICATION. IF YES, PLEASE PROVIDE THE FOLLOWING INFORMATION ABOUT CO-APPLICANT

CO-APPLICANT

NAME ADDRESS HOW LONG? DATE OF BIRTH TELEPHONE

EMPLOYER POSITION HOW LONG? SALARY WK. $ ______ MON. $ ______ TELEPHONE

EMPLOYER'S ADDRESS BADGE-CLOCK NO. SOCIAL SECURITY NO SUPERVISOR

NAME & ADDRESS OF CO-APPLICANT'S NEAREST RELATIVE-NOT IN HOUSEHOLD RELATIONSHIP & TELEPHONE

OTHER INCOME: (LISTING OF ALIMONY, CHILD SUPPORT AND MAINTENANCE PAYMENTS IS OPTIONAL IF YOU ARE NOT RELYING ON THAT INCOME IN APPLYING FOR CREDIT OR AS A BASIS FOR REPAYMENT OF THE LOAN. IF INCOME FROM THOSE SOURCES IS LISTED, PROVIDE INFORMATION FOR THE PERSON MAKING THOSE PAYMENTS IN "CO-APPLICANT" SECTION)

APPLICANT ☐ WEEKLY ☐ MONTHLY ☐ YEARLY $ ______ SOURCE ______

CO-APPLICANT ☐ WEEKLY ☐ MONTHLY ☐ YEARLY $ ______ SOURCE ______

ALL CREDITORS, NAME, ADDRESS, BRANCH (INDICATE WHETHER FOR APPLICANT (A), CO-APPLICANT (C), OR BOTH (B))

	NAME OF CREDITOR ADDRESS	ACCOUNT NO	PURPOSE OF CREDIT	DATE INCURRED	MONTHLY TERMS	PRES BALANCE

HAVE YOU TAKEN BANKRUPTCY? ☐ YES ☐ NO
IF YES, STATE WHERE AND WHEN.

DO YOU HAVE A CREDIT HISTORY IN ANY OTHER NAME?
☐ YES ☐ NO IF YES, WHAT NAME?

I HEREBY AUTHORIZE YOU TO CHARGE MY AFNB CKG. ACCT. ☐ YES ☐ NO · IF YES, PROVIDE CKG. ACCT. # ______

I (WE) HEREBY CERTIFY THAT THE ABOVE INFORMATION, INCLUDING WITHOUT LIMITATION THE ABOVE PURPOSE, IS TRUE, CORRECT AND COMPLETE AND HEREBY AUTHORIZE SUCH CREDIT INQUIRIES AS MAY BE DEEMED NECESSARY TO CONFIRM AND INVESTIGATE MY (OUR) INCOME, LIABILITIES, CREDIT AND FINANCIAL RESPONSIBILITY AND I (WE) HEREBY CONSENT TO THE RELEASE AND DISCLOSURE OF THE INFORMATION SOUGHT BY THOSE INQUIRIES.

SIGNATURE OF APPLICANT ______ SIGNATURE OF CO-APPLICANT ______

PROFIT CTR. #	PROFIT CENTER NAME	AFNB OUTSTANDING LOANS TOTAL $		SUBJECT TO:
CLASS	AMT. APPROVED	MONTHS	APR. %	DATE
ID#	APPROVED BY:	CONCUR WITH:		

CE-17: CREDIT
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of the Student Activity/Task Packet, the adult learner will develop an understanding of credit systems and be able to determine personal use of them.

INTRODUCTION:

This SAT Packet contains information about the various types of credit, their advantages and disadvantages. There will be information about methods of obtaining credit, credit systems, and how it is applicable to the adult student. Since obtaining and maintaining credit has become a subject of much controversy today in view of the many governmental changes taking place, the subject will be covered with less specifics than had been planned. It will be necessary for the teacher to alert students to read articles from the newspaper and other sources in order to keep updated as the rapid changes continue to take place.

ADAPTABILITY:

This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system and group work.

READING LEVEL:

The adult student should experience success if he/she reads at Level I, Phase I or Level I, Phase II.

MATHEMATICAL SKILLS:

Credit-related calculations such as adding, subtracting and figuring percentages should be taught as the student proceeds through this packet.

PRE/POST TEST:

The Pre/Post Test is to be administered before and after the student has completed the SAT Packet. The student should score at least 80% in order to test out of the packet. A student who misses questions would benefit from the information contained in the packet.

ADDITIONAL MATERIALS:

Newspaper articles

Consumer Education (multi-media kit) Grolier Educational Corporation, 845 3rd Avenue, N.Y.

Becoming A Wise Consumer, American Council of Life Insurance/Health Insurance, 1850 K Street N.W., Washington, D.C. 20006 (sound filmstrips and cassettes).

SKILLS OBJECTIVES:

Reading
- Develops vocabulary
- Obtains information
- Detects and resists propaganda
- Distinguishes between fact and opinion

Writing
- Fills out forms
- Makes lists

Speaking, Listening, Viewing
- Presents information
- Describes personal view
- Evaluates content
- Interprets ideas

Problem Solving
- Defines need
- Examines constraints
- Plans alternatives
- Determines plan of action

Interpersonal Relations
- Explains situation
- Resolves conflict

Computation
- Adds
- Subtracts
- Figures percentages

To the student . . .

Upon completion of this SAT Packet, you should understand more about credit systems and be able to use them. You should understand how to obtain credit. You should also know more about where to obtain credit.

BUY
COLLECTION NOTICE
INVOICE
BILL
OVERDUE
IN ARREARS

(Star Illustration)

VOCABULARY WORDS. These are words that will help you to understand the forms and applications that you read concerning credit. They will also help when talking to someone about credit.

Debt	money owed. When you buy something on credit, you go into **debt.**
Debtor	the person who borrows money. I am a **debtor**. I owe money.
Loan	money borrowed with a promise to repay. I took out a **loan** to buy a car.
Interest	money paid to borrow money. **Interest** is a percentage charged (usually by the month) to pay for borrowing money.
Annual percentage rate	the cost of a loan over a one year period. You should know the **annual percentage rate** before borrowing money.
Finance Charge	the total dollar amount you pay when you use credit. The **finance charge** includes interest and other charges such as insurance.
Consumer	one who uses economic goods. The **consumer** should spend his/her money wisely.
Consumer Credit	credit granted or given to a person to pay for consumer goods. I have established **credit** for **consumer** use.
Consumer Goods	goods that satisfy human want. I enjoy buying **consumer goods.**
Credit Information	information the consumer has a legal right to know about. The Fair Credit Reporting Act and The Equal Credit Opportunity Act were written to provide **credit information** to the consumer.

ACTIVITY 1

Choose at least five words from the vocabulary list. Use each word in a sentence. Write the sentences in your Student Response Booklet.

TIME ALLOWED! Money talks, but the message can be confusing. Lack of understanding ranks first in keeping people from wisely using their money. Each dollar we earn today shrinks in value as it stays in our billfold — waiting to be spent. As earning power shrinks, and people have less cash, **credit** becomes a way of life. As we use more and more credit, the situation becomes worse. Buying on credit is so common today that many of us cannot imagine living without it. There would be no automobiles, TV sets, washing machines, clothes dryers, or even vacations for most people if it were not for credit.

Because we have become used to credit does not mean we know how to use it wisely. **Consumer Credit** is the financial tool that helps to make our money more manageable. Few people have enough cash on hand to meet their major bills. If credit is used correctly, it helps us. If used improperly, serious money problems can develop.

As inflation increases, money problems continue to increase. Some experts have described inflation as when the expansion of the money supply (meaning credit and loans) grows faster than the real growth of goods produced. So controlling consumer credit becomes the key to financial stability — at least this is the thinking of many people. Our decision to buy or how to pay for what we are buying depends upon our needs and wants. When we think and read about **consumer credit,** we need to consider all the important things that apply to our own situation. Since generally this is the the only area over which we have much control.

What are the basic issues to be considered when we talk about credit? This list contains some questions for thought.

- What is credit?
- Who uses credit?
- How do you establish credit?
- What are the advantages of establishing credit?
- What are the disadvantages of establishing credit?
- Is there a cost?
- What determines the cost?
- What are the types of consumer credit?
- How does each type of credit differ?
- What are the sources of credit?
- Who provides the money?

- **CREDIT** can be defined as meaning we are using another person's money and we pay for using it.
- **WHO USES CREDIT? YOU DO!** Very few people in our society are exempt from using some type of credit. That includes you and me! As members of society, we each belong to, or are classified in groups, for many kinds of consumer fact-finding information. Read this list and see which group fits you.

1) single adult, married adult
2) teenager
3) family with adult children
4) family with college-age children
5) beginning family with small children
6) retired

You as a consumer, no matter what group you are in, can use credit to help with your finances. In fact, while families have been the major users of credit in the past, single adults are now becoming major users.

Lending institutions take into account all of this information. Since their business is loaning money and keeping the credit system going, it becomes vital for them to know. Many appeals are made from various lending institutions to try to get you to borrow from them. Understanding the community resources concerning credit can make the difference between success or failure for you as far as finances are concerned.

The Federal Equal Credit Opportunity Act states that it is unlawful for any creditor to discriminate against any person on the basis of race, color, religion, national origin, sex, marital status, age or because all or part of the person's income comes from a welfare or social security program. So the law guarantees:

- You can't be refused an account in your own name, as long as you have a good credit rating.
- You can't be asked about your marital status, spouse, or former spouse if you are applying for credit in your own name.
- You can't be asked to get your spouse's signature if you're applying for an individual account.

Just because this is what the law guarantees does not mean all lending places abide by these laws. Don't take this for granted! You may have to insist on your rights.

NO EXPERIENCE! If you have never borrowed money or obtained a loan, you may ask, "How can I establish credit?" It's like saying "How can I get a job that calls for experience, if I have never had a job." There are some steps you can take that will help.

1) The easiest way to establish credit for the first time is to open a **retail charge account.** Even this may not be easy. You probably will have to have someone sign along with you. In other words, you will have a co-signer. Once you have established credit this way, you must be sure to pay your bills promptly. Buy small items. Pay regularly each month. Pay in full each month. Avoid finance charges. This will let the company know you are careful about paying your bills.

FOURTH AVENUE WORLD BANK
UNIVERSAL CREDIT CARD
0000-111-222-333
Good thru 11/82
John Doe John Doe

2) Another way is to take out a small loan from a bank. Again you may have to have someone co-sign with you. But having done this you are well on your way toward establishing credit. You could deposit the money in a savings account. The interest earned would help offset the interest owed on the loan. Remember to make your payments on time. Never miss a payment. Always be prompt.

3) If you have a small amount of cash on hand, opening a savings or checking account is one of the best ways to help establish credit. If you put a fixed amount into your account each month . . . no matter how small an amount . . . it certainly will help your credit rating.

When you have followed these suggestions, you should have no trouble establishing good credit in your name. This is such an important part of your financial life that you should handle all of these matters with utmost care. Never be careless in your financial matters.

FAIR CREDIT REPORTING ACT. In applying for individual credit you have a right to look at your file at a consumer credit reporting agency. Each consumer's file (meaning yours and mine) contains a record of bill-paying habits. Each file contains information about lawsuits against the consumer. The Fair Credit Reporting Act gives 3 basic rights to the consumer:

- the right to see the information in the file
- the right to correct mistakes
- the right to know who got the information recently

Having this information available is important to us. We then know what the lending institutions have available to them when we ask for borrow money or use credit. You can be charged a fee to look at your file. But if you have been denied credit because of the information, you must be able to see the file without charge.

If there is information in this file that you wish to dispute, the agency must look into it and fix up the information if it has been incorrect. If there is still a problem with your file, you can then file a statement which tells your side of the story. Then in the future when an agency reads the file, there is a clear picture of the file and how you feel about it.

This file is of utmost importance when you are considering asking for a loan. Since the Federal Trade Commission is supposed to make sure all credit reporting agencies follow the Fair Reporting Act, it helps to know what to do in case of problems in getting credit.

Complaints about retail department stores, finance companies and credit card companies should be sent to The Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

In order to apply for credit, you must first find out if you are **credit worthy.** Being credit worthy simply means, "Can you get a personal loan if you need it?" Credit worthiness or your ability to borrow money is usually based on several points.

- your reliability, honesty, record, and willingness to pay
- your financial resources (equity in a home, auto, life insurance, or some other means of financial stability)
- your present and future income as judged by your earning power, and your present bills and commitments

Generally this information is obtained during an interview. You will also be asked to fill out an application. Each time you apply for credit you will be asked to do this. The creditor (or person you are asking to borrow money from) asks these questions to help decide whether you can and will pay what you owe. You can see that **consumer credit** must be based on **trust.**

Some of the questions that will be asked are:

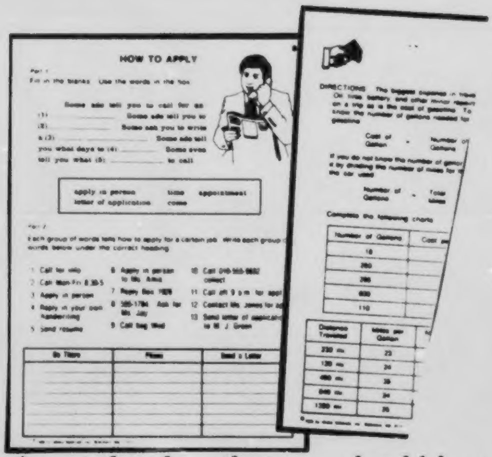
- Where do you work . . . how long . . . what kind of job?
- How much money do you earn . . . each week . . . each month?
- Where do you live . . . how long . . . own or rent . . . where did you live?
- Do you have a checking/saving account?
- Do you owe any debts . . . have other loans . . . and where?

Why does the creditor (agency to whom you are requesting credit) ask these questions? We have mentioned that credit is based on trust. The creditor is wanting to know about your habits and ability to pay. He wants to know if he can **trust** you to pay back what you borrow. He has a right to know this about you.

CONSUMER CREDIT PROTECTION ACT. This is more often known as the **Truth in Lending,** or Regulation Z. It became effective in July 1969. The Truth in Lending Act requires all lenders and merchants to provide information to credit customers before credit is given to them. Two of the important requirements are about the **finance charge.** It must be stated in terms of:

- the dollar amount
- the annual percentage rate (yearly rate)

This law makes it possible for you to know as a dollar amount how much the credit will cost you if you pay on time. This amount tells you what the total charges are for obtaining credit. Interest fees, loan and service charges, investigation fees, premiums for insurance (if you must carry it to get the loan) and other fees must be included. It is important for you the consumer to know all of these facts. It is the only way you have of knowing the total amount you will owe for the money borrowed. It will also help determine if you can afford to borrow the money. This also enables you to compare one place against another. You can then find out which lending agency offers the best rates for credit. You will save yourself many dollars of hard earned money if you follow this practice.



There is another law that you should know about as a credit consumer. It is called the **Fair Credit Billing Act.** It was passed in October 1975. This Act establishes rules for consumers and creditors to follow when billing mistakes occur on credit accounts. It allows consumers to withhold payment for faulty merchandise. Have you ever had any of the following happen to you?

- charges giving the wrong price or description
- charges you didn't make
- charges made by someone you did not tell could use your account
- charges for goods you didn't order
- charges for goods or services that you didn't accept for some reason
- failure of the creditor to credit your account for a returned item
- failure of the creditor to credit your account with a payment
- errors in arithmetic — making mistakes in the figures
- faulty merchandise

If any of these have ever happened to you, remember the **Fair Credit Billing Act.** It was written to help you, the consumer.

NOT FOR WOMEN ONLY! REMEMBER! If you are a woman you have certain rights. Don't be afraid to speak up. Do so in the right way. That means with courtesy, firmness and fairness. Never try to take advantage because you are a woman. Neither should you be taken advantage of, in any situation, because you are a woman. It is important to establish credit in your name. An article written in **Women's Place in Everyday Talk** tells you about the rights you have.

Some of the rights mentioned are your right to:

1. Receive credit in your own name if you meet the creditor's standards.
2. Use a co-signer who is someone other than your husband, if one is needed.
3. Refuse to answer questions about your plans for having or raising children.
4. Keep your own accounts after marriage, divorce or widowhood as long as you meet the creditor's criteria.
5. Have public assistance, alimony, pension and child support considered as any other income.
6. Know the specific reason your application for credit was turned down.
7. Present information to the creditor which shows that your husband's rating, if it is bad, doesn't reflect your willingness or ability to pay.
8. Know what information the credit bureau has in your credit file.
9. Have a record at the credit bureau in your own name for accounts you share with your husband.
10. Demand that any incorrect information in your file be changed.
11. Have your side of the story placed in your credit bureau file if unfavorable information cannot be eliminated.

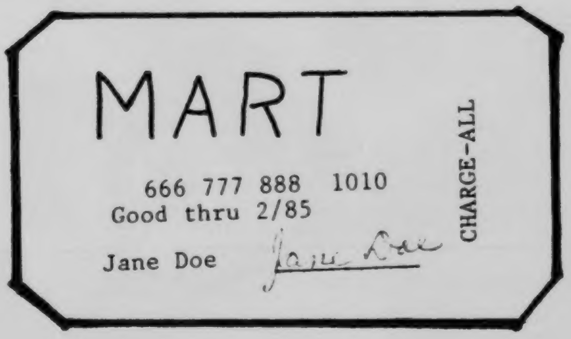
ACTIVITY 2

Discuss the rights you feel you should have as a woman. Do this with the teacher, a group that might be interested in the same subject, or with someone in class. You might have a friend who would welcome such a discussion. After talking about the subject of credit, write a short explanation of how you feel. Write this in the Student Response Booklet.

ADVANTAGES OF USING CREDIT.

Convenience. You may:

- receive advance notice of sales
- order by telephone more easily
- make returns of merchandise more easily
- charge unexpected expenses
- avoid carrying large sums of money to pay for purchases
- have complete records of expenses (item, date purchased, amount)
- have the advantages of goods and services while paying for them (financing an auto, furniture, appliances)



DISADVANTAGES OF USING CREDIT.

Future income is pre-spent. You must:

- allow money in your budget to pay your credit debts
- remember that money is less flexible
- pay interest charges for most credit money
- avoid overspending (I'll buy today and pay tomorrow.)
- not become an **impulse buyer**
- beware of buying items that will be consumed or worn out before debt is paid (food purchases, cars, furniture)

TYPES OF CREDIT. There are two types of credit that are most often used.

- **Sales Credit** is offered in the form of merchandise or services by:
    - repairmen
    - contractors
    - furniture or appliance dealers
    - car agencies
    - department stores
    - chain stores
    - some food stores (usually independent stores)
- **Cash credit** is offered to people in the form of money by:
    - credit unions
    - banks
    - small loan companies
    - insurance companies

There are other places that offer credit to persons in need. Be aware of loan sharks and other unreliable places of business who charge high rates of interest.

There is a **third** kind of credit used regularly by most of us. We just don't recognize it as credit. It is called **service credit.** Most people don't realize that when we take a drink of water, we are using credit. When we use the telephone, we are using credit. When the paper boy delivers the paper, we are using credit. We push a button, the lights go on. We are using service credit. There are many services provided that can be listed in this category. There is the doctor, dentist, hospital. All of these send us a bill and allow at least 30 days to pay that bill. That is service credit. This gives us just a brief idea of how our economy is built on that important word, **credit.**

A WORD TO THE WISE ABOUT CREDIT CARDS. Suppose you have a credit card for a department store. You decide to take advantage of a store-wide sale. Here are some facts you should know before you say "Charge It!"

There are two types of charge accounts:

- regular (or 30-day)
- revolving

The **regular** or **30-day accounts** are called convenience accounts by most stores. You must pay for your purchase within 20 to 30 days after the date of the bill. If you pay on time, you have no finance charge.

Revolving accounts allow you to make repeated purchases up to a limit set by the creditor. You can pay all of the money you owe within 30 days of the billing date. If you do, you have no finance charge. Or you can pay the minimum payment for the amount you owe. The amount is determined by the creditor. If you do not pay off the balance, you pay a finance charge on the remaining balance. (For most charge cards the finance charge is 1½% a month or 18% a year; however, the percentage rate is always subject to change since it is dependent upon inflation and the economy. You will want to watch for new laws that may reflect changes in rates of interest.)

In order to understand more about figuring finance charges on your accounts, look at the chart showing a national credit card company's schedule of payments for charge customers. Then study the example that tells how Mary Phillips computed her finance charges.

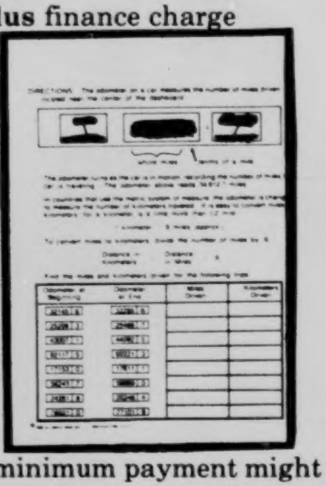
Schedule of Payments Finance Chart

Highest Balance	Minimum Monthly Payment	Highest Balance	Minimum Monthly Payment
$ 19.00- 90	$ 5.00	$360.01-375	$14.50
90.01-105	5.50	375.01-405	15.00
105.01-120	6.00	405.01-420	15.50
120.01-135	6.50	420.01-435	16.00
135.01-150	7.00	435.01-450	16.50
150.01-165	7.50	450.01-465	17.00
165.01-180	8.00	465.01-495	17.50
180.01-195	8.50	495.01-510	17.75
195.01-210	9.00	510.01-525	18.25
210.01-225	9.50	525.01-540	18.75
225.01-240	10.00	540.01-555	19.25
240.01-255	10.50	555.01-570	19.75
255.01-270	11.00	570.01-585	20.25
270.01-285	11.50	585.01-600	20.75
285.01-300	12.00	600.01-615	21.25
300.01-315	12.50	615.01-630	21.75
315.01-330	13.00	630.01-645	22.25
330.01-345	13.50	645.01-660	22.75
345.01-360	14.00	660.01-675	23.25

Example: Mary Phillips received her charge statement. The balance that she owes is $379.00. Using the table, we see that her minimum payment is $15. Mary is a little short of cash this month and pays only the $15. Her finance charges will be computed as follows:

Mary Phillips Account:

Balance owing	$379.00
Payment	15.00
Balance after payment	$364.00
Finance charge 1½%/month =	x .015
	182000
	36400
	5.46000 =
	$5.46 finance charge
Balance after payment	$364.00
plus finance charge	5.46
	$369.46



The minimum payment might be convenient; however, of the $15.00 that Mary paid, almost $6 of it went toward her finance charge. That hurts!!

ACTIVITY 3

Look again at the charge statement for Mary Phillips. Answer the questions in the Student Response Booklet.

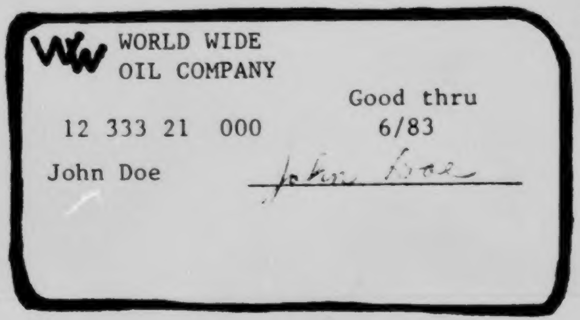
1) What was her balance after payment?
2) What was the additional finance charge on that amount?
3) How much money does Mary still owe on the account?
4) What is the minimum payment due now? Use the **Finance Chart.**
5) If Mary had made 5 payments at $15, how much would she save on the finance charges? What would be the balance after payment?

REMEMBER . . . credit cards are not a way to live beyond your means. You **have** to pay for your purchases. It is so easy to say "Charge It!" You can easily overspend and be surprised when the bills arrive. To avoid this kind of surprise, here are some pointers.

- Don't be an impulse shopper. Think about each purchase.
- If you don't **really** need anything, stay out of the stores.
- Make a list of what you buy and how much you spend.
- Set a limit for purchases. Don't go over that limit.
- Don't shop just to get yourself out of a depression . . . additional bills won't help.
- Handle your credit cards with care. If you are a "charge-a-holic," tear up your credit cards and throw them away. Use cash only.
- Don't lose your credit cards. If they are lost or stolen, report the loss **immediately** to the company who issued the card/cards.

ACTIVITY 4

Make a list of all your credit cards. Write the name of the company and the credit card number in your Student Response Booklet. Put this in a safe place for future use in case of loss or theft.



WORLD WIDE
OIL COMPANY

Good thru
12 333 21 000 6/83

John Doe John Doe

ACTIVITY 5

In this activity, you will fill out a credit application. Look in your Student Response Booklet for the application. Answer the questions as though you were applying for credit. If you need help, ask your teacher for assistance.

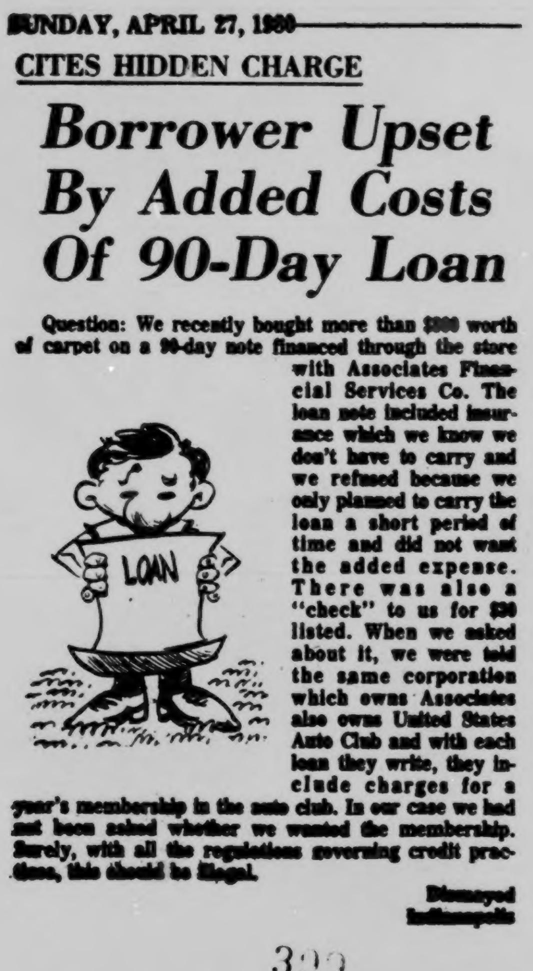
ACTIVITY 6

You will need the Yellow Pages for this activity. Choose a bank, a savings and loan company, and a finance company. Write the name, address, and phone number for each in the Student Response Booklet. When you have done this, call each one and ask the following questions.

1. For a personal loan of $1000, borrowed for 2 years, what is the annual percentage rate?
2. What would be the amount of the monthly payment?
3. What are the total finance charges?
4. Do you have to pay for life insurance in order to get the loan?

ACTIVITY 7

Read this article from the Indianapolis Star and News. What action would you take if this had happened to you? Write your answer in the Student Response Booklet.



SUNDAY, APRIL 27, 1980

CITES HIDDEN CHARGE

Borrower Upset By Added Costs Of 90-Day Loan

Question: We recently bought more than $[illegible] worth of carpet on a 90-day note financed through the store with Associates Financial Services Co. The loan note included insurance which we know we don't have to carry and we refused because we only planned to carry the loan a short period of time and did not want the added expense. There was also a "check" to us for $[illegible] listed. When we asked about it, we were told the same corporation which owns Associates also owns United States Auto Club and with each loan they write, they include charges for a year's membership in the auto club. In our case we had not been asked whether we wanted the membership. Surely, with all the regulations governing credit practices, this should be illegal.

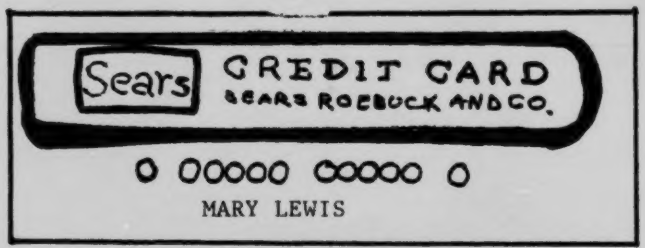
Dismayed
Indianapolis

ACTIVITY 8

This ad was placed in the Indianapolis Star and News by Sears, Roebuck and Company. Read the article. Then answer the questions in the Student Response Booklet.

A PROMISE TO THE 24 MILLION AMERICANS WHO USE SEARS, ROEBUCK & CO. CREDIT CARDS

1. Sears will continue to serve the credit needs of its customers.
2. Sears does not plan to impose an annual fee.
3. Sears will not make any significant change in its policy on credit limits.
4. If you need to buy on credit at Sears, you are as welcome to do so today as you were last year or the year before.



Two ways to apply for a Sears credit card. Pick up an application at any Sears store. Or apply directly by telephone. Call 1-800-527-3592.Ext.20.(In Texas:1-800-492-5385,Ext.20)

Send for Sears booklet on credit. Sears agrees with the government that credit must be used with care, that it is a tool for the prudent,not a license for spendthrifts.

This booklet will be helpful,whether or not you shop at Sears,in answering what kind of credit you need or if you need any at all. Write Ms.Terry J.Finlayson,Dept.703 Sears,Roebuck and Co.Sears Tower,Chicago,IL 60684.

1) **What are the two ways to apply for a Sears Credit Card?**
2) **What does Sears promise not to do concerning credit at Sears?**
3) **Write a letter requesting the booklet, *How to Choose and Use Retail Credit.***

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 17
CREDIT

NAME ____

DATE ____________________________

ACTIVITY 1

Use five words from the vocabulary list. Use each word in a sentence.

1.
2.
3.
4.
5.

ACTIVITY 2

After you have discussed the rights you feel you should have as a woman, write a short explanation of how you feel.

ACTIVITY 3

1) What was her balance after payment?
2) What was the additional finance charge on that account?
3) How much money does Mary still owe on the account?
4) What is the minimum payment due now? Use the **Finance Chart.**
5) If Mary had made 5 payments at $15, how much would she save on the finance charges. What would be the balance after payment?

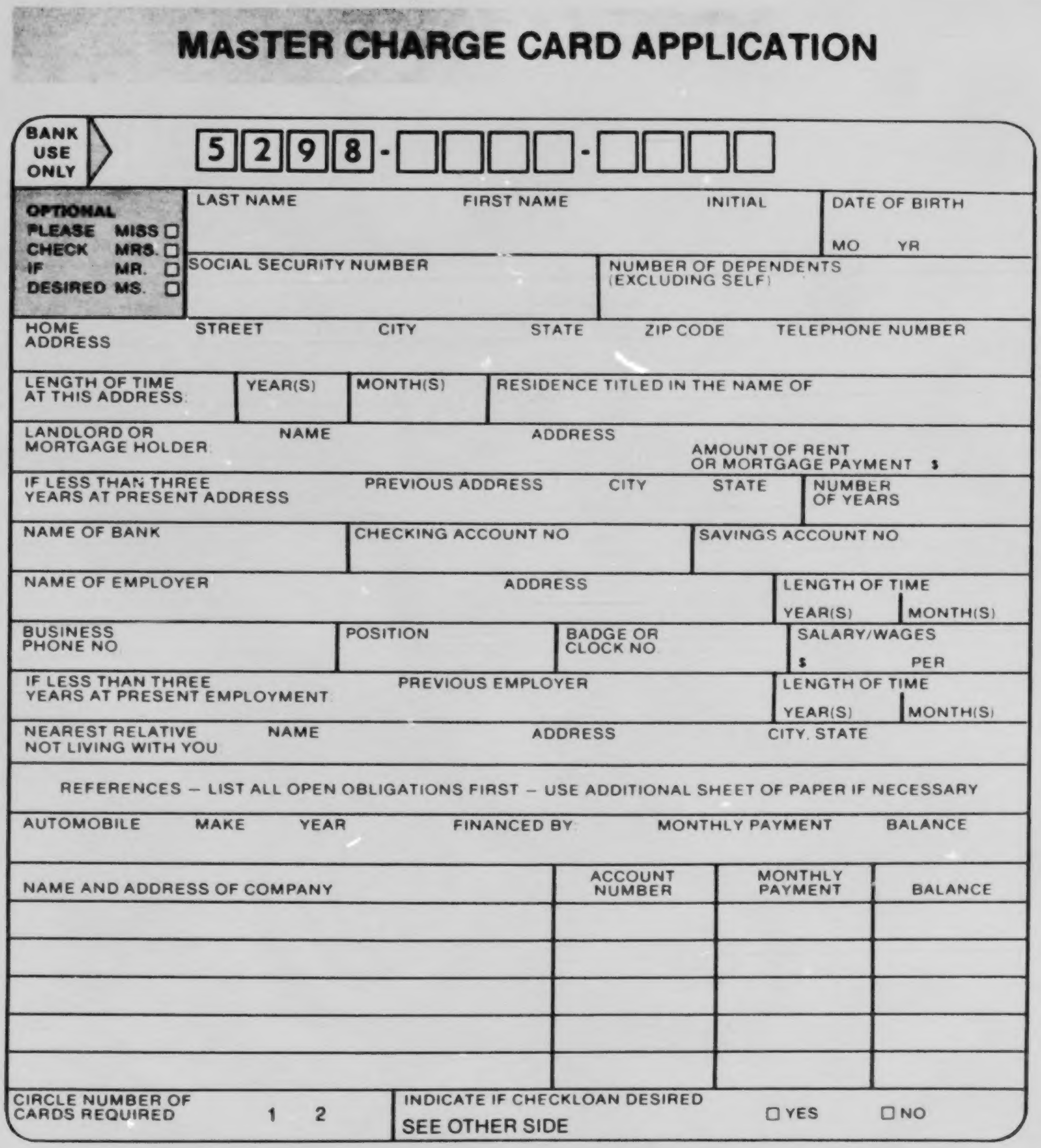
ACTIVITY 4

Make a list of all your credit cards.

	NAME	CREDIT CARD NUMBER
1)		
2)		
3)		
4)		
5)		
6)		

ACTIVITY 5

Fill out this application form.



MASTER CHARGE CARD APPLICATION

BANK USE ONLY 5298-☐☐☐☐-☐☐☐☐

OPTIONAL PLEASE CHECK IF DESIRED MISS ☐ MRS. ☐ MR. ☐ MS. ☐	LAST NAME	FIRST NAME	INITIAL	DATE OF BIRTH MO YR
	SOCIAL SECURITY NUMBER		NUMBER OF DEPENDENTS (EXCLUDING SELF)	

HOME ADDRESS STREET CITY STATE ZIP CODE TELEPHONE NUMBER

LENGTH OF TIME AT THIS ADDRESS YEAR(S) MONTH(S) RESIDENCE TITLED IN THE NAME OF

LANDLORD OR MORTGAGE HOLDER NAME ADDRESS AMOUNT OF RENT OR MORTGAGE PAYMENT $

IF LESS THAN THREE YEARS AT PRESENT ADDRESS PREVIOUS ADDRESS CITY STATE NUMBER OF YEARS

NAME OF BANK CHECKING ACCOUNT NO SAVINGS ACCOUNT NO

NAME OF EMPLOYER ADDRESS LENGTH OF TIME YEAR(S) MONTH(S)

BUSINESS PHONE NO POSITION BADGE OR CLOCK NO SALARY/WAGES $ PER

IF LESS THAN THREE YEARS AT PRESENT EMPLOYMENT PREVIOUS EMPLOYER LENGTH OF TIME YEAR(S) MONTH(S)

NEAREST RELATIVE NOT LIVING WITH YOU NAME ADDRESS CITY, STATE

REFERENCES — LIST ALL OPEN OBLIGATIONS FIRST — USE ADDITIONAL SHEET OF PAPER IF NECESSARY

AUTOMOBILE MAKE YEAR FINANCED BY MONTHLY PAYMENT BALANCE

NAME AND ADDRESS OF COMPANY	ACCOUNT NUMBER	MONTHLY PAYMENT	BALANCE

CIRCLE NUMBER OF CARDS REQUIRED 1 2

INDICATE IF CHECKLOAN DESIRED ☐ YES ☐ NO

SEE OTHER SIDE

ACTIVITY 6

You will need the Yellow Pages for this activity. Choose a bank, a savings and loan company, and a finance company. Then write the name, address, and phone number for each in the Student Response Booklet. When you have done this, call each one and ask the following questions.

Bank ______________________________

Address ______________________________

Phone ______________________________

Savings and Loan Company
Address
Phone

Finance Company
Address
Phone

1) For a personal loan of $1000 for 2 years, what is the annual percentage rate?
   Bank
   Savings and Loan Company
   Finance Company
2) What would be the amount of the monthly payment?
   Bank
   Savings and Loan Company
   Finance Company
3) What are the total finance charges?
   Bank
   Savings and Loan Company
   Finance Company
4) Do you have to pay for life insurance in order to get the loan?
   Bank
   Savings and Loan Company
   Finance Company

ACTIVITY 7

Write your answer here.

ACTIVITY 8

1) What are the two says to apply for a Sears Credit Card?

2) What does Sears promise **not** to do concerning credit at Sears?

3) Write a letter requesting the booklet, *How to Choose and Use Retail Credit.*

CONSUMER ECONOMICS - 17
CREDIT
ANSWER KEY

ACTIVITY 1

Answers will vary.

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Balance owing	$379.00
Payment 5 @ $15	75.00
Balance after payment	$304.00
Finance charge 1½%/mo.	.015
	152000
	30400
	4.56000
Balance after payment	$304.00
Plus finance charge	4.56
	$308.56

ACTIVITY 4

Answers will vary.

ACTIVITY 5

Form — Answers will vary.

ACTIVITY 6

Answers will vary.

ACTIVITY 7

Answers will vary.

ACTIVITY 8

Letter — Answers will vary.

CE-18: INSURANCE
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity Task Packet the adult learner will have information concerning the types of insurance available. The learner will be able to select the best insurance for the individual and the family.

INTRODUCTION:

This packet is designed to familiarize the student with the vocabulary and forms involved with insurance. Specific types of insurance discussed in this packet are life insurance, homeowners insurance and automobile insurance.

ADAPTABILITY:

This packet is adaptable for use with individualized and one-to-one tutorial instruction. It is also suggested that this unit be used in conjunction with a visit from a resource person.

You may contact:

The Department of Insurance
State of Indiana
509 State Office Building
Indianapolis, Indiana 46204
Phone: (317) 633-6338

This office can recommend a resource person. The teacher should be familiar with the company and the agent. Keep in mind that all agents wish to sell insurance and do not inadvertently expose your class to any high pressure sales tactics.

READING LEVEL:

The student should experience success with this packet if he/she reads at the high end of Level I, Phase II. The student is instructed to ask for help if he/she has difficulty reading charts.

MATHEMATICAL SKILLS:

No special math skills are required to work in this packet.

PRE/POST TEST:

The Pre/Post Test covers general information about different kinds of insurance. It may be used as an oral or written test, and at the teacher's discretion.

ADDITIONAL MATERIALS NEEDED:

Local telephone book.

Pamphlet: "Plain Talk About Your Life Insurance Policy" available from:

Consumer and Community Services
Institute of Life Insurance
277 Park Avenue
New York, N.Y. 10017

SR-21 Report forms: These are available from the Indiana State Police.

A sample life insurance policy could be used to initiate questions for the resource person. It could also be used with Activity 4 in the Life Insurance section of this unit. Sample policy forms are available from:

Education and Community Services
American Council of Life Insurance
1850 K Street, N.W.
Washington, D.C. 20006

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Obtains information
  - Locates information on tables, charts, graphs
  - Distinguishes between fact and opinion
- Writing
  - Fills out forms
  - Makes notes
  - Maintains records
- Speaking, Listening, Viewing
  - Seeks information
  - Organizes information
  - Presents information
  - Interprets ideas
  - Clarifies issues
  - Derives personal relevance
- Problem Solving
  - Defines personal situation or need
  - Examines the alternatives
  - Plans alternatives
  - Determines plan of action
- Interpersonal Relations
  - Explains needs
  - Resolves conflict
- Computation
  - Adds decimals
  - Subtracts decimals

CE-18: INSURANCE
PRE/POST TEST

MULTIPLE CHOICE:

1) Buying insurance is:
   a. government sponsored.
   b. required by law.
   c. voluntary action.

2) The basic principle underlying insurance programs is that for a group of persons, losses
   a. are uncertain.
   b. are already known.
   c. are shared by the group as a whole.

3) The basic reason for insurance is:
   a. individual losses cannot be determined ahead of time.
   b. individual losses are known ahead of time.

4) A premium is:
   a. the amount paid for protection.
   b. a reward for buying the protection.
   c. a dividend paid to the policyholder.

5) Life insurance helps families by:
   a. offsetting financial losses.
   b. providing additional security.
   c. providing peace of mind.
   d. all of the above.

6) The beneficiary is:
   a. the person whose life is covered.
   b. the person who pays the premium.
   c. the person to whom payments are given in the event of death of the policyholder.

FILL IN THE BLANKS.

7) The type of insurance that pays if you die in a certain time period is called ____________

8) The type of insurance that requires premiums to be paid as long as the insured lives is called ____

9) The type of insurance in which savings values increase most rapidly is called __________

TRUE or FALSE. Draw a circle around the correct answer. T for true. F for false.

10) The reasons you may need to buy life insurance may change over the years. T F

11) The amount of life insurance you need will never change. T F

12) You should always read all forms before you sign. T F

13) You should study various types of policies before you sign. T F

14) **Double Indemnity** means that you must pay double premiums. T F

15) It is usually cheaper to pay your premiums yearly instead of weekly, monthly, semi-annually, etc. T F

CE-18: INSURANCE
PRE/POST TEST ANSWER KEY

MULTIPLE CHOICE:

1) Buying insurance is:
   a. government sponsored.
   b. required by law.
   [✓ c.] voluntary action.

2) The basic principle underlying insurance programs is that for a group of persons, losses
   a. are uncertain.
   b. are already known.
   [✓ c.] are shared by the group as a whole.

3) The basic reason for insurance is:
   [✓ a.] individual losses cannot be determined ahead of time.
   b. individual losses are known ahead of time.

4) A premium is:
   [✓ a.] the amount paid for protection.
   b. a reward for buying the protection.
   c. a dividend paid to the policyholder.

5) Life insurance helps families by:
   a. offsetting financial losses.
   b. providing additional security.
   c. providing peace of mind.
   [✓ d.] all of the above.

6) The beneficiary is:
   a. the person whose life is covered.
   b. the person who pays the premium.
   [✓ c.] the person to whom payments are given in the event of death of the policyholder.

FILL IN THE BLANKS.

7) The type of insurance that pays if you die in a certain time period is called term.

8) The type of insurance that requires premiums to be paid as long as the insured lives is called whole life.

9) The type of insurance in which savings values increase most rapidly is called endowment.

TRUE or FALSE. Draw a circle around the correct answer. T for true. F for false.

10) The reasons you may need to buy life insurance may change over the years. [✓ T] F

11) The amount of life insurance you need will never change. T [✓ F]

12) You should always read all forms before you sign. [✓ T] F

13) You should study various types of policies before you sign. [✓ T] F

14) **Double Indemnity** means that you must pay double premiums. T [✓ F]

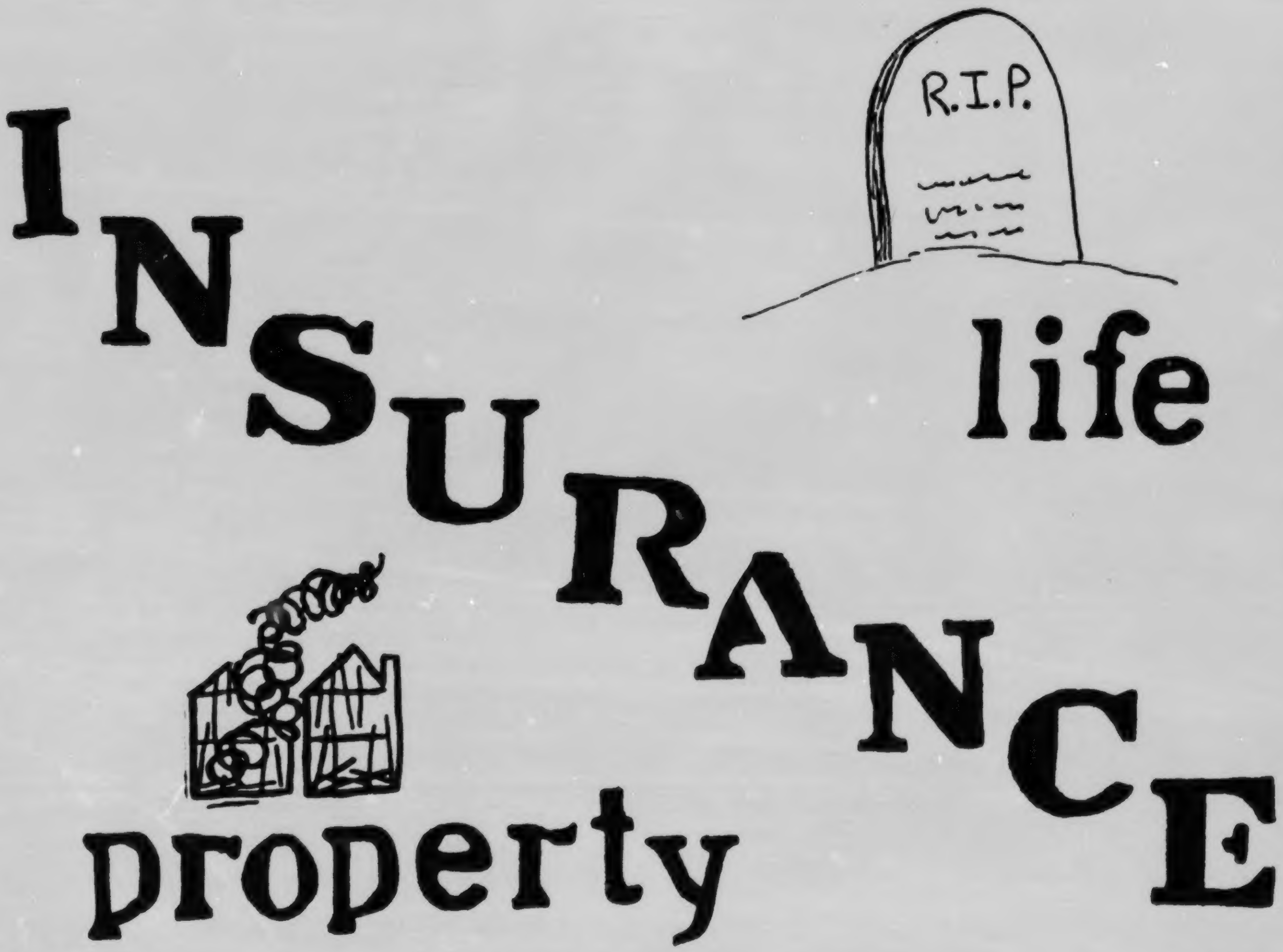
15) It is usually cheaper to pay your premiums yearly instead of weekly, monthly, semi-annually, etc. [✓ T] F

To the student . . .

When you have completed this SAT Packet, you will have a better understanding of insurance. You should also have a good idea of the types of insurance you and your family may need. The three kinds of insurance of most importance to everyone are:

- life insurance
- personal property insurance
- health insurance

To complete this packet you will need additional materials. Ask the teacher for the following: a pamphlet called "Plain Talk About Your Life Insurance Policy" and the telephone book.



WHAT IS INSURANCE? Insurance is a guarantee against loss or damage. It is also the sharing of financial risks.

Everyone faces different risks every day. We all face the risk that we could die or be killed. If you own property, you face the risk that it could be damaged, lost, stolen or completely destroyed. Most people encounter some of these things in their lifetime. Since none of us know who will suffer a loss or when, people have decided to do something to protect the person who may be suffering a loss. **Insurance** is how people have decided to share the risks with other people who face the same risks.

Is insurance important? The answer is yes! Without it, most people would not be able to cope with the many financial losses that may face them some day. Insurance means that you are not taking a chance. Let's look at an example. Suppose you live in a very small town with 1000 homes. If a tornado came through your town, there would be no way to know which homes would be hit. Suppose the tornado hits one of the 1000 homes. Let's suppose the damage to the home would cost $10,000 to repair. If the person who owned the home was not insured, he would have to pay the full $10,000 to repair his home. But suppose all of the 1000 homes were insured. The cost of repairing the home, when split among all 1000 families, would be only $10 per family. The person who suffered the loss has paid only $10. He has received $10,000 worth of repair work for his money. You might think that the people who paid the $10, but were not hit by the tornado, did not receive anything for their money. However, if you look at it a different way, they did receive something for their money. **Their money paid for Peace of Mind.**

MUST I HAVE INSURANCE? The answer to this question is NO! There are no laws that require anyone to carry insurance. If there are no laws requiring insurance, then why do so many people buy it? Some of the reasons for buying insurance are listed here. Think about these reasons as you read them. How many of them seem to be very good reasons for **you** to have insurance?

Life Insurance:
1) to cover funeral expenses in case of death
2) to provide income for your survivors
3) to provide funds in case of a family emergency
4) to provide funds for educational needs
5) to provide cash to cover an illness
6) to provide income for old age.
7) to help develop the habit of saving

Property Insurance:
1) to protect your home or property in case of fire
2) to protect your personal property against theft
3) to protect your home against other damages such as tornadoes, lightning, tree damage or water damage
4) to protect your future income in case someone is hurt as a result of your negligence
5) to protect your personal property and income in case someone is hurt as a result of an auto accident which is your fault
6) to protect your home or property against vandalism

Insurance
Policy

ACTIVITY 1

After reading the list write some reasons why you should have insurance. Do this in your Student Response Booklet.

LIFE INSURANCE. You should be able to understand any life insurance policy you get. Because any policy is a legal contract, a lot of legal words are used. In order to read and understand a policy, you should be familiar with some of these words.

Ask your teacher for the pamphlet called "Plain Talk About Your Life Insurance Policy." Look through the pamphlet and read about each of the terms listed here. If you don't understand a term, ask your teacher to explain it to you before you go on with this packet.

TERMS:
1) Insured
2) Face Amount
3) Beneficiary
4) Premium
5) Premium Class
6) Policy Date
7) Insured's Age

ACTIVITY 2

In your Student Response Booklet, write the meanings of these terms as you understand them.

TYPES OF POLICIES. It may seem to you that there are many different kinds of life insurance policies. There are really only three basic types of policies. All others are probably combinations of these. They are called:

1) Term
2) Whole Life
3) Endowment

The type of policy which would be best for you will depend on many things. How much money you have to spend. Your age. Your plans for the future. Let's look at each of these three basic types of insurance policies.

TERM INSURANCE. Term insurance is basically death protection insurance. It insures your life for a limited period of time. It may be for one year, five years, or until age 65, depending on the policy. For instance, a father may want to have term insurance until his children become financially independent. During this time, his need for insurance may be great. If something were to happen to him when his children were small, his family would have money to take care of their needs.

Most term insurance is bought for 5 year periods. Term policies may be **renewable** or **convertible.**

Renewable means that when the first term expires, the policy may be renewed for another term (usually 5 years). The premium will go up because the insured person is now older.

Convertible means that before the term expires, the policy may be changed to one of the other two policy forms (whole life or endowment). You could do this without having to prove that you are still in good health. The premium will depend on your age at the time the policy is converted.

Term insurance usually has the lowest premium of all three types of insurance policies. This is its most important advantage. It is not permanent insurance. People who want high insurance coverage for a low premium over a limited period of time might want this kind of policy.

term whole life
endowment

Mr. Smith is 27 years old. He has a wife and a one year old son. He has owned $12,000 worth of life insurance for several years. He knows that if he should die, his wife and his small son will depend upon his life insurance. He feels that he needs more life insurance; however, he cannot afford to buy a permanent policy at this time, that will cover his needs. He thinks he will receive a raise in pay in the future, but the money is not available now.

Mr. Smith decided to buy a $15,000 ten-year **convertible term** insurance policy. He plans to change it to a whole life or an endowment policy as soon as he can afford to pay the premium.

WHOLE LIFE INSURANCE. This type of insurance is sometimes called **straight life**. It may also be called **ordinary life** or **standard life**. Each of these names may be used for the kind of policy that has the following features:

- It offers protection for your "whole" life. Premiums do not increase with age. They are set at the time you buy the policy according to your age at that time
- The policy develops cash and loan values that increase yearly. When you retire you can take the cash value in installments as retirement income. You could also borrow money on the policy if an emergency should arise during your life.
- If you want to drop the policy, you may receive the cash value it has developed until that time.
- If for some reason you cannot pay some of the premiums, you may borrow from the cash value to pay them.
- The premiums for a whole life policy may be changed at the time you buy the policy. If you decide you want a different rate of payment, the policy may be called: **modified** or **limited pay.**

    Modified Life: The premiums are very low the first few years. Then they increase to a level at which they remain for the duration of the policy.

    Limited Pay: All premium payments are grouped into a period of years (20 years for example). The cash value or loan value of the policy will increase faster if this is done. However, each individual premium will be higher.

The main difference between TERM and WHOLE LIFE is:

Term Insurance is **IF** insurance. It pays **IF** you die during a certain period.

WHOLE LIFE is **WHEN** insurance. It pays **WHENEVER** you die.

Whole life insurance is one of the most widely used types of life insurance. It is considered the form best suited to the needs of the greatest number of people.

WHOLE LIFE
INSURANCE
POLICY

Mr. West is a family man. He has four children. He has decided that he needs a life insurance policy. He wants protection for his entire life. He would also like to be able to borrow against his policy if he needs to in the future. He has decided to buy a **whole life policy**. The policy he bought provides the following:

1) He may pay at a reduced amount for the rest of his life, or . . . he may pay at a slightly higher amount for 30 years.
2) He may cancel the policy in future years and receive cash.
3) He may discontinue the policy and receive an income for a certain limited period of time.
4) He may borrow from the cash value of policy to pay some of the premiums.

ENDOWMENT INSURANCE. These policies provide a stated sum of money to the insured at a certain time in the future. They also provide money to the family (beneficiary) if the person should die before this time. The full amount (face value) of the policy is paid to the insured if he/she lives to the end of the endowment period. This period is usually 20 years, 30 years, or may be to a certain age such as age 65. Uses for the endowment policy might be:

1) To meet a debt or expense that will come due at a known time in the future.
2) To provide college money for a child. (In this case, an 18 year endowment policy might be taken out on the child when he/she is born.)
3) To provide an income for old age.

The premiums for an endowment policy are higher than for the other two types of policies. These kinds of policies are often bought as added insurance after a person already has other insurance. Since the premiums are higher, people are often older when they decide to purchase an endowment policy. They are usually better able to afford a more costly premium than when they were very young.

Mr. Jones is 40 years old. He already has $50,000 worth of insurance. He has just received an increase in salary. He would like to set aside part of this increase for his later years. He has a company pension and social security coming to him when he retires. He would like to have more income for his later years than this.

Mr. Jones decided to buy an **endowment policy** for $10,000. This policy pays him at age 65. If he does not live to age 65, the policy will pay his wife, the beneficiary.

Planning for RETIREMENT:

ACTIVITY 3

Use the pamphlet called "Plain Talk About Your Life Insurance Policy." Find the terms listed here. Read each meaning. Then write a meaning for each term in your Student Response Booklet.

1) term
2) renewable term
3) convertible term
4) whole life
5) modified whole life
6) endowment
7) cash value
8) surrender value
9) loan value

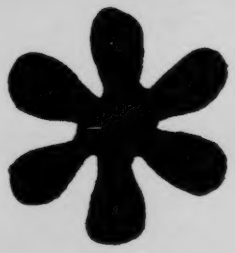
KEY TERMS
These are standard life insurance policy terms found in most contracts.

READING YOUR INSURANCE POLICY! Before you try to read any life insurance policy, you should learn the terms. You should know their meanings. Listed here are some terms and meanings that will help you. Read them. Try to understand what each one means.

WAIVER OF PREMIUM: The company will pick up the premium for you if illness or accident prevents you from working. This kind of benefit usually goes into effect 6 months after a policyholder is totally disabled.

GRACE PERIOD: If you miss a due date for a premium, you usually have about a month to pay it without also paying a penalty. This time for the grace period may be different for different companies.

ACCIDENTAL DEATH BENEFIT: This is sometimes called "Double Indemnity." It means that if you die as a result of an accident, then the insurance company will pay your beneficiary more than the face value of your policy. Usually the amount paid is double what it would have been. This is why it is sometimes called Double Indemnity.



SPECIAL TERMS
These are every day words, with special meaning.

LAPSE: Your policy has lapsed if the DUE DATE and the GRACE PERIOD have gone by and you have not made a premium payment. If this should happen, you should keep the policy. It may still have some value depending on the type of policy.

REINSTATEMENT: If your policy has lapsed, you can put it back into effect by paying the overdue premium and interest. This can usually be done up to five years after it lapses.

LEGAL TERMS
These are words which carry precise legal meanings.

ACTIVITY 4

If you already have an insurance policy, read it. You may want to bring it to class if it contains parts you don't understand. In your Student Response Booklet write briefly about the type of policy you have and what it provides.

If you don't have a life insurance policy, write in your Student Response Booklet which of the three types of policies might be best for you. Then write the reasons you feel this way.

ACTIVITY 5

Match the following terms with their meanings. Do this in your Student Response Booklet.

1. waiver of premium	a. you pay the overdue premium and interst to put the policy back into effect.
2. accidental death benefit	b. A period that usually lasts about 1 month.
3. grace period	c. The company pays the premium for you if you are disabled.
4. lapse	d. The company pays double because you died from an accident.
5. reinstatement	e. The due date and the grace period have gone by.

Check your answers with the ANSWER KEY. It is on the last page of the Student Response Booklet.

COST. When you buy a life insurance policy, the salesman may show you some tables used in determining the premium. You should look at these tables carefully. You should be able to tell from the table what premium you will be paying.

The table that follows is a simplified form of one of these tables. It will give you some practice in reading tables. Be sure to read all of the headings and titles for the columns. Notice that the table shows the **yearly** rate of payment for **$1,000** worth of insurance. In other words, if you buy more insurance than this, you will have to multiply the amount shown by 5, 10, etc., to get the amount you have to pay yearly. If you need help, ask your teacher.

*APPROXIMATE ANNUAL PREMIUM RATES FOR $1,000 OF 3 TYPES OF ORDINARY LIFE INSURANCE**

TAKEN AT AGE	WHOLE LIFE OR STRAIGHT PERMANENT LIFE	20 YEAR ENDOWMENT	FIVE YEAR TERM (Renewable and Convertible)
18	10.97	43.01	5.03
19	11.26	43.03	5.04
20	11.55	43.05	5.05
21	11.89	43.07	5.06
22	12.24	43.10	5.07
23	12.61	43.12	5.08
24	13.00	43.16	5.09
25	13.40	43.17	5.10
30	15.70	43.50	5.30
40	22.36	45.26	7.56
50	33.44	50.15	14.36

ACTIVITY 6

Answer the following questions in the Student Response Booklet. Use the chart to help you with the answers.

1. If I am 18 years old and I buy a straight life policy worth $10,000, what will the annual premium be?
2. If I am 40 years old and I buy a 20 year endowment policy worth $10,000, what will the annual premium be?
3. If I am 50 years old and I buy a straight life policy for $5,000, what will the annual premium be?
4. If I am 25 years old and I buy a five year term policy for $5,000, what will the annual premium be?
5. Does the payment for a policy go up as you get older?

Check your answers with the Answer Key.

THE APPLICATION. There are many questions on a life insurance application. You should be able to understand and answer these questions. The main purpose for the questions is to identify who is applying for the insurance. The question about your age is going to determine your premium. Be sure to answer this question correctly. If you give the wrong age, it can make your policy worthless when you die, or if you try to collect while living.

The questions about the beneficiaries are very important too. This is your statement that tells who would get the money if you should die. Only you, the person who is insured, can decide this.

The questions about the plan of insurance should be decided by talking with your agent, and by determining your own needs. You should be careful to understand the type of insurance for which you are applying. If you don't understand something about the application — ASK QUESTIONS.

ACTIVITY 7

Fill out the application in your Student Response Booklet. Pretend you are buying the type of insurance that you described in Activity 4 of this unit.

PART 1 OF APPLICATION FOR INSURANCE

1. Full name of applicant USE BLACK INK ONLY

2. A. Residence: Street
City or Town
County State
B. Residence addresses (ST., CITY AND STATE) last three years
C. Do you contemplate a change in residence or foreign travel? IF SO, GIVE DETAILS

3. A. Occupation
B. Name of employer and business address
C. Previous occupations in last five years
D. Have you any other occupations? IF SO, GIVE DETAILS
E. Do you contemplate any change in occupation? IF SO, GIVE DETAILS

4. A. Have you ever piloted or have you any intention of piloting any type of aircraft?
B. Have you taken any aerial flights in the last 12 months other than as a passenger?
IF EITHER PART IS ANSWERED "YES" SUBMIT AVIATION SUPPLEMENT

5. Will insurance now being applied for replace insurance in this or any other company? IF SO, GIVE DETAILS

6. Are you insured in this Company?

7. A. Is your life insured in any other company or companies? IF SO, GIVE FULL DETAILS BELOW

Names of Companies	Amounts	Kinds	Dates of Issue	Special Provisions		
				Waiver	Dis. Inc.	A.D.B.

B. What would be the amount of your disability income, if disabled? EXCLUSIVE OF INSURANCE IN THIS COMPANY
FROM 1. All life insurance policies $ per month
FROM 2. All accident and health policies $ per month

8. Date of Birth	Month	Day	Year	AGE LAST BIRTHDAY

9. Birthplace CITY, STATE

10. Are you CHECK ☐ Single ☐ Married ☐ Widowed ☐ Divorced

11. During the past five years have you had advice, attendance, or treatment by a physician or any other person? If so, give nature of ailment, duration, approximate date and names and addresses of physicians or other persons consulted.

12. A. Plan of insurance
CHECK PROVISIONS DESIRED
B. ☐ Waiver of Premiums C. ☐ Waiver of Premiums and Monthly Income D. ☐ Death by Accidental Means

13. Amount of insurance

14. Premiums payable in advance CHECK METHOD OF PAYMENT
☐ Annually ☐ Semiannually ☐ Quarterly ☐ Monthly

15. Beneficiary GIVEN NAME AND RELATIONSHIP

(Endowments are made payable to the insured at maturity unless otherwise requested.)

16. Which of the following rights do you reserve as to a change of beneficiary, any change being subject to the consent of the Company? STRIKE OUT ONE
A. The right to change and successively change to any beneficiary
B. No right to change except with the consent of all beneficiaries

17. Dividends to be: STRIKE OUT METHODS NOT DESIRED
A. Paid in cash
B. Applied in reduction of premium
C. Used to purchase paid-up additions
D. Left with the Company to accumulate at interest

18. Is the Automatic Premium Loan Provision requested? CHECK ☐ YES ☐ NO

19. Has the first premium on the insurance hereby applied for been paid? If so, state amount paid $

I understand and agree that:

1. If the premium on the insurance herein applied for has been paid to the Company's agent, in exchange for the Company's signed advance premium receipt numbered the same as Part 1 hereof, the insurance as provided by the policy shall be effective from the date of Part 2 of this application PROVIDED the Company shall approve this application at its Home Office. If this application is not so approved, I will accept the return of the premium paid and surrender the advance premium receipt.

2. If the premium on the insurance herein applied for has not been paid, such insurance shall become effective on the date of issue stated in the policy PROVIDED the Company has approved this application at its Home Office, the premium has been paid, and the policy delivered to me while I am in good health.

I hereby declare that all the answers and statements herein contained are full, complete, and true, and have been correctly recorded.

Signed at ______________________ City ______________ State

and dated this __________ day of __________, 19____

In My Presence ______________________

General Agent submitting application

Applicant ______________________

Address all mail to ______________________

____

Agent who actually solicited this application

HOW MUCH LIFE INSURANCE IS NEEDED? In the first part of this unit we looked at some of the reasons people buy life insurance. You probably realize that it would be best if everyone had some life insurance. How much life insurance should a person have? This question is a little difficult to answer. Everyone should have at least enough to take care of his/her own funeral expenses. Some people might feel this is enough. Whether or not you need to have more than this depends on several things. If you are alone and have no family, life insurance to cover your funeral expenses and debts may be enough. If you have a family, you may want to consider more than this.

The reasons you may need to buy life insurance may change over the years. This makes it difficult to determine just how much insurance you may need. A good agent can help you decide how much you need **and** how much you can afford at the time. Remember, as your needs change, you may need to buy more insurance later, or change the type of policy you already have. To help you understand some of the things you should ask yourself, complete Activity 8.

ACTIVITY 8

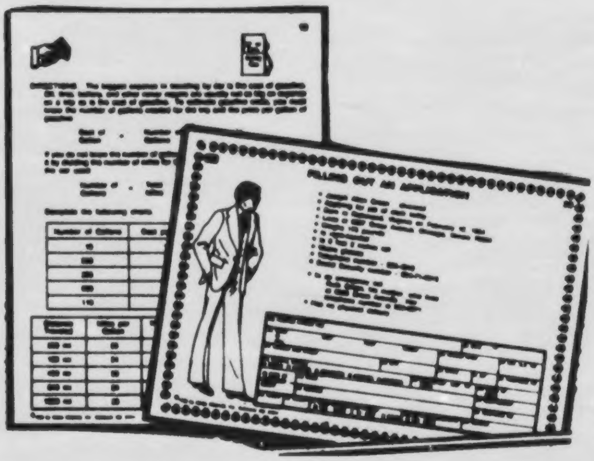
Answer the following questions. Write all of your answers in your Student Response Booklet.

1. Do you have dependents? If so, how many?
2. How much money would you want to leave to your dependents for important things such as education expenses?
3. Will you require more or less insurance to cover the needs of your dependents as time passes?
4. About how much per month does it take now to care for the needs of your family?
5. If you should die, would your dependents collect from group life insurance where you work?
6. If you should die, would your dependents collect Social Security, and if so, about how much?
7. When would you like to be able to retire?
8. If something should happen to you, what amount of income do you think your spouse would need during retirement?
9. How much do you think you could afford to set aside per month for insurance at this time? (Just estimate this answer. You will try to determine this more exactly in the post test of this unit.)

FORMS! FORMS! FORMS! Many times when you buy something, there are forms to be filled out. This is especially true when you purchase insurance. This is because you are entering into a binding legal contract when you purchase the insurance.

Most forms need to be signed and dated by the person involved. You should **ALWAYS READ THE COMPLETE FORM BEFORE YOU SIGN.** This is true anytime you are asked to put your signature on a piece of paper. ALWAYS READ IT FIRST! An insurance form or claim may be a little difficult to understand. If you read something you don't understand — ASK QUESTIONS! You may have friends or relatives who can help you understand. You should also feel comfortable asking questions of your insurance agent. In very involved cases, you may even need to have the help of a lawyer. Whatever it takes to understand what you are signing should be done BEFORE YOU SIGN!

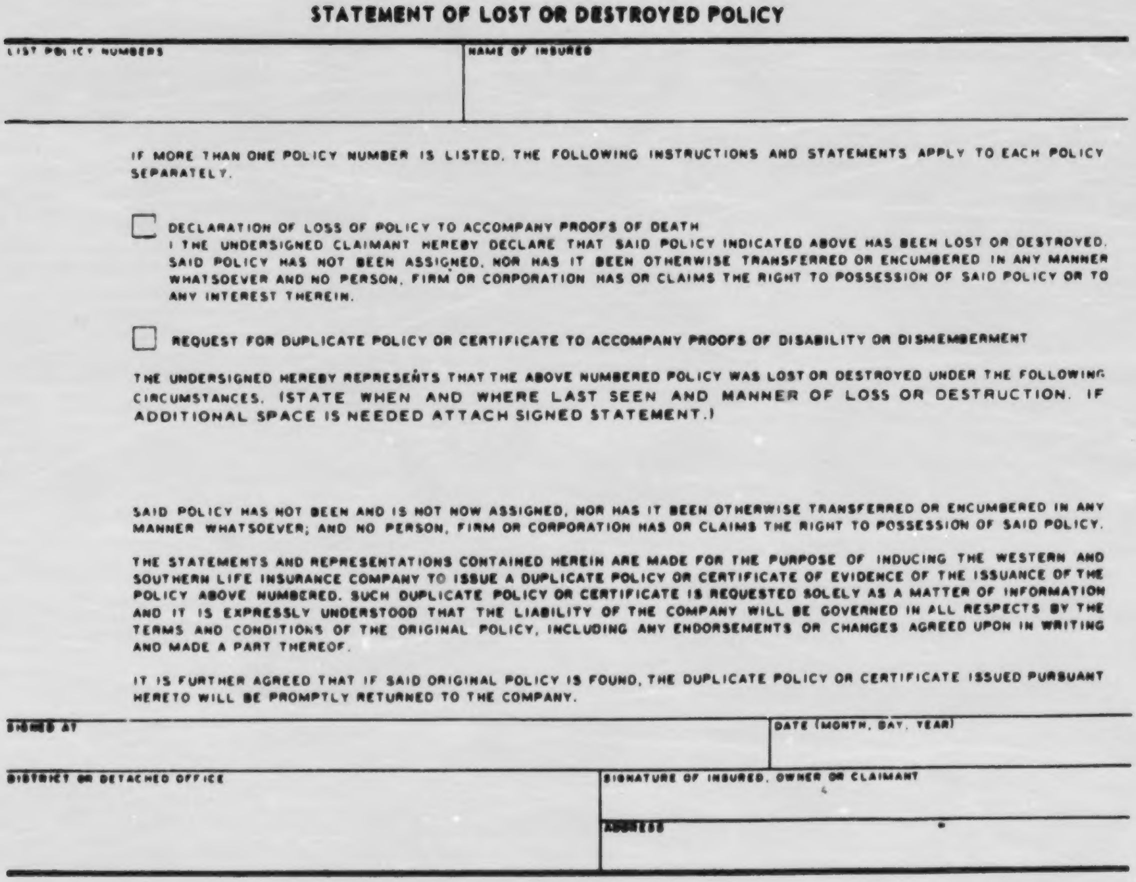
To help give you practice in reading and filling in different forms, complete Activities 9 and 10. Do these in your Student Response Booklet. You will need to pretend a little to do these activities. Make up names and dates of your own when necessary. If you need help, ask your teacher.



330

ACTIVITY 9

Fill in this form in your Student Response Booklet.



STATEMENT OF LOST OR DESTROYED POLICY

LIST POLICY NUMBERS	NAME OF INSURED

IF MORE THAN ONE POLICY NUMBER IS LISTED, THE FOLLOWING INSTRUCTIONS AND STATEMENTS APPLY TO EACH POLICY SEPARATELY.

☐ DECLARATION OF LOSS OF POLICY TO ACCOMPANY PROOFS OF DEATH
I THE UNDERSIGNED CLAIMANT HEREBY DECLARE THAT SAID POLICY INDICATED ABOVE HAS BEEN LOST OR DESTROYED. SAID POLICY HAS NOT BEEN ASSIGNED, NOR HAS IT BEEN OTHERWISE TRANSFERRED OR ENCUMBERED IN ANY MANNER WHATSOEVER AND NO PERSON, FIRM OR CORPORATION HAS OR CLAIMS THE RIGHT TO POSSESSION OF SAID POLICY OR TO ANY INTEREST THEREIN.

☐ REQUEST FOR DUPLICATE POLICY OR CERTIFICATE TO ACCOMPANY PROOFS OF DISABILITY OR DISMEMBERMENT

THE UNDERSIGNED HEREBY REPRESENTS THAT THE ABOVE NUMBERED POLICY WAS LOST OR DESTROYED UNDER THE FOLLOWING CIRCUMSTANCES. (STATE WHEN AND WHERE LAST SEEN AND MANNER OF LOSS OR DESTRUCTION. IF ADDITIONAL SPACE IS NEEDED ATTACH SIGNED STATEMENT.)

SAID POLICY HAS NOT BEEN AND IS NOT NOW ASSIGNED, NOR HAS IT BEEN OTHERWISE TRANSFERRED OR ENCUMBERED IN ANY MANNER WHATSOEVER; AND NO PERSON, FIRM OR CORPORATION HAS OR CLAIMS THE RIGHT TO POSSESSION OF SAID POLICY.

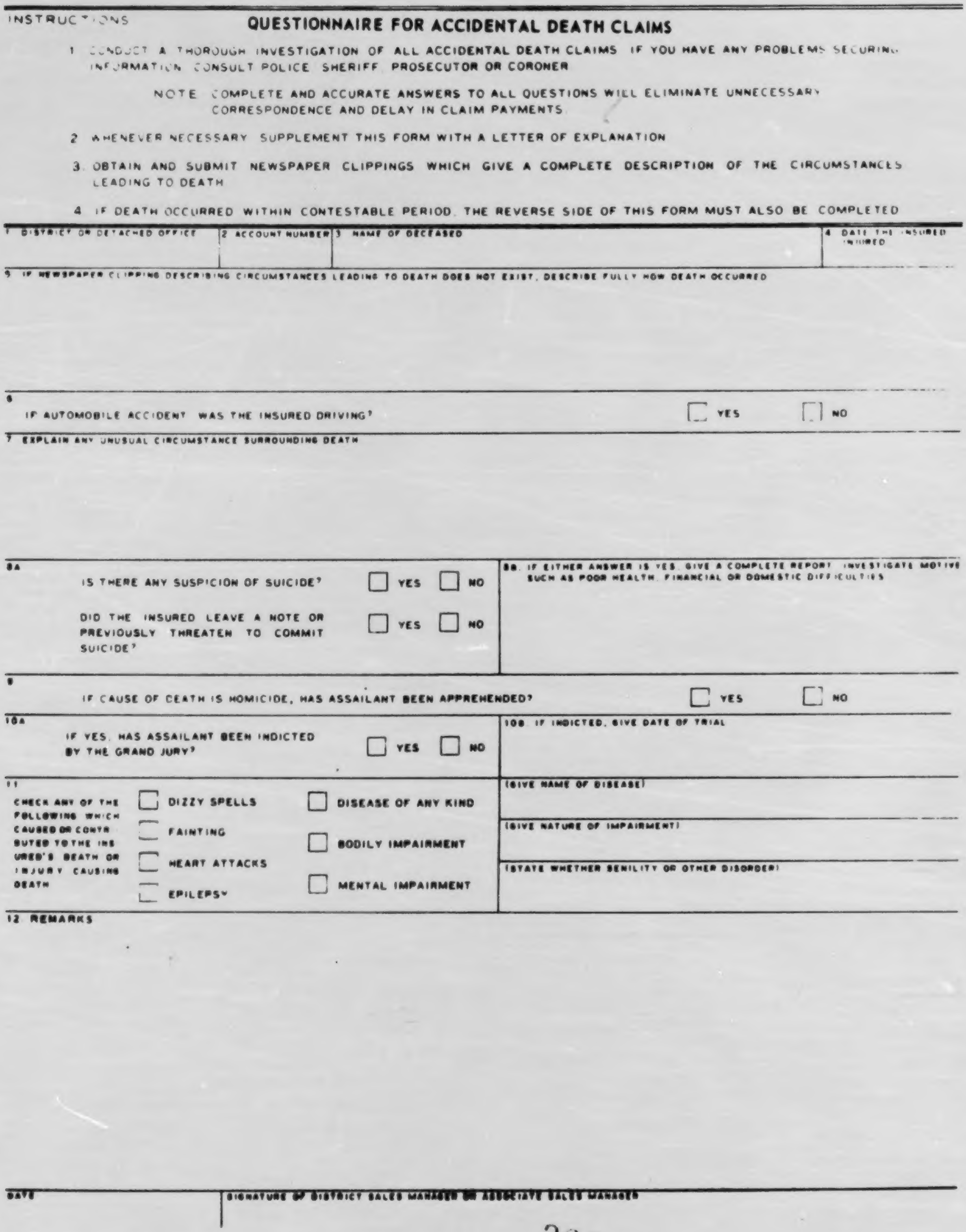
THE STATEMENTS AND REPRESENTATIONS CONTAINED HEREIN ARE MADE FOR THE PURPOSE OF INDUCING THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY TO ISSUE A DUPLICATE POLICY OR CERTIFICATE OF EVIDENCE OF THE ISSUANCE OF THE POLICY ABOVE NUMBERED. SUCH DUPLICATE POLICY OR CERTIFICATE IS REQUESTED SOLELY AS A MATTER OF INFORMATION AND IT IS EXPRESSLY UNDERSTOOD THAT THE LIABILITY OF THE COMPANY WILL BE GOVERNED IN ALL RESPECTS BY THE TERMS AND CONDITIONS OF THE ORIGINAL POLICY, INCLUDING ANY ENDORSEMENTS OR CHANGES AGREED UPON IN WRITING AND MADE A PART THEREOF.

IT IS FURTHER AGREED THAT IF SAID ORIGINAL POLICY IS FOUND, THE DUPLICATE POLICY OR CERTIFICATE ISSUED PURSUANT HERETO WILL BE PROMPTLY RETURNED TO THE COMPANY.

SIGNED AT	DATE (MONTH, DAY, YEAR)
DISTRICT OR DETACHED OFFICE	SIGNATURE OF INSURED, OWNER OR CLAIMANT ADDRESS

ACTIVITY 10

Fill in this form in your Student Response Booklet.



INSTRUCTIONS

QUESTIONNAIRE FOR ACCIDENTAL DEATH CLAIMS

1. CONDUCT A THOROUGH INVESTIGATION OF ALL ACCIDENTAL DEATH CLAIMS. IF YOU HAVE ANY PROBLEMS SECURING INFORMATION, CONSULT POLICE, SHERIFF, PROSECUTOR OR CORONER.

   NOTE: COMPLETE AND ACCURATE ANSWERS TO ALL QUESTIONS WILL ELIMINATE UNNECESSARY CORRESPONDENCE AND DELAY IN CLAIM PAYMENTS.

2. WHENEVER NECESSARY, SUPPLEMENT THIS FORM WITH A LETTER OF EXPLANATION.
3. OBTAIN AND SUBMIT NEWSPAPER CLIPPINGS WHICH GIVE A COMPLETE DESCRIPTION OF THE CIRCUMSTANCES LEADING TO DEATH.
4. IF DEATH OCCURRED WITHIN CONTESTABLE PERIOD, THE REVERSE SIDE OF THIS FORM MUST ALSO BE COMPLETED.

1 DISTRICT OR DETACHED OFFICE	2 ACCOUNT NUMBER	3 NAME OF DECEASED	4 DATE THE INSURED INJURED

5 IF NEWSPAPER CLIPPING DESCRIBING CIRCUMSTANCES LEADING TO DEATH DOES NOT EXIST, DESCRIBE FULLY HOW DEATH OCCURRED

6 IF AUTOMOBILE ACCIDENT, WAS THE INSURED DRIVING? ☐ YES ☐ NO

7 EXPLAIN ANY UNUSUAL CIRCUMSTANCE SURROUNDING DEATH

8A IS THERE ANY SUSPICION OF SUICIDE? ☐ YES ☐ NO

DID THE INSURED LEAVE A NOTE OR PREVIOUSLY THREATEN TO COMMIT SUICIDE? ☐ YES ☐ NO

8B. IF EITHER ANSWER IS YES, GIVE A COMPLETE REPORT. INVESTIGATE MOTIVE SUCH AS POOR HEALTH, FINANCIAL OR DOMESTIC DIFFICULTIES

9 IF CAUSE OF DEATH IS HOMICIDE, HAS ASSAILANT BEEN APPREHENDED? ☐ YES ☐ NO

10A IF YES, HAS ASSAILANT BEEN INDICTED BY THE GRAND JURY? ☐ YES ☐ NO

10B. IF INDICTED, GIVE DATE OF TRIAL

11 CHECK ANY OF THE FOLLOWING WHICH CAUSED OR CONTRIBUTED TO THE INSURED'S DEATH OR INJURY CAUSING DEATH

☐ DIZZY SPELLS	☐ DISEASE OF ANY KIND	(GIVE NAME OF DISEASE)
☐ FAINTING	☐ BODILY IMPAIRMENT	(GIVE NATURE OF IMPAIRMENT)
☐ HEART ATTACKS	☐ MENTAL IMPAIRMENT	(STATE WHETHER SENILITY OR OTHER DISORDER)
☐ EPILEPSY		

12 REMARKS

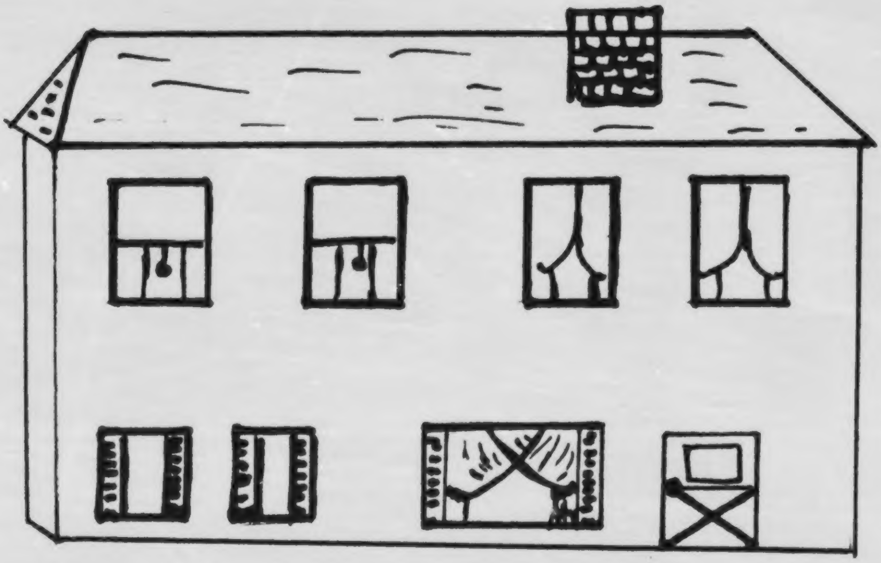
DATE	SIGNATURE OF DISTRICT SALES MANAGER OR ASSOCIATE SALES MANAGER

SOME BASIC RULES AND WARNINGS!

By now you should have a better understanding of what life insurance is all about. Listed here are some more rules and warnings. Read the list. Think about it. Ask questions if you don't understand.

1) Study various policies before you buy.
2) Make sure the insurance you buy fits **your** needs.
3) Buy only what you can afford.
4) Try to save money by paying your insurance yearly. The premium is usually lower this way.
5) Make sure your family knows where your insurance policies are kept and what they provide.
6) If your employer has a group plan for his employees, find out whether it can be changed to an individual policy if you should ever leave the company.
7) Keep your company informed of your address if you move.
8) Keep your policies in a safe place.
9) Review your life insurance program periodically with your agent to make sure it is adequate to fit your needs.
10) Always read your policy completely.
11) Don't replace existing policies without a full, written comparison of the existing policy with the proposed replacement.
12) Don't purchase "special" policies with "gimmicks" without fully investigating first.
13) Don't borrow on your policy unless it is a real emergency.

INSURING YOUR HOME. It wasn't too many years ago that a person had to buy several insurance policies to protect his home.



It wasn't easy to decide which policy was best. Each policy had a separate price. Today insurance companies have combined the various coverages into **one package** and **one price**. This multi-coverage insurance for the home is known as the HOMEOWNERS POLICY.

Most homeowners insurance policies are for one or two family homes. However, there are policies designed for renters or people who live in other kinds of homes such as condominiums.

Whether you rent or own your home, you should make a list of your:

- furniture
- appliances
- rugs
- clothing
- furs
- jewelry

You should even take a picture of large, expensive items. Keep the pictures in a safe place. It is then easier to file an insurance claim if they are lost, stolen or burned.

The amount of insurance protection in a policy that is to cover the contents of your home is usually half the value of the policy. In other words, if your home is covered with a policy worth $20,000 then $10,000 is considered insurance on the property inside the home.

Most insurance companies have forms you can use to make the inventory of your belongings. You should be familiar with this form.

ACTIVITY 11

Complete the Household Inventory Form in your Student Response Book. You may need to take the form home with you. Include everything. Don't leave anything out that you consider important if it should be lost, stolen, or destroyed by fire.

NAME:

ADDRESS.

DATE:

HOUSEHOLD INVENTORY

ACTIVITY 11

No of Items	Description	Year of Purchase	Original Cost	Present Value
	ENTRY and HALLS			
	Desks, tables			
	Cabinets			
	Chairs			
	Lamps, clocks, vases			
	Rugs*, drapes, curtains			
	Mirrors*			
	Pictures			
	Miscellaneous			
	LIVING ROOM			
	Cabinets*, bookcases*			
	Books			
	Tables			
	Desk			
	Sofas			
	Chairs			
	Lamps, clocks, vases			
	Pictures			
	Radio, stereo			
	Television			
	Piano, organ			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BATH NO 1			
	Cabinets*			
	Appliances			
	Towels, linens			
	Drugs, sundries			
	Miscellaneous			

Sub-Total value $

No of Items	Description	Year of Purchase	Original Cost	Present Value
	BEDROOM NO 1			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BEDROOM NO 2			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BATH NO 2			
	Cabinets*			
	Appliances			
	Towels, linens			
	Drugs, sundries			
	Miscellaneous			

Sub-Total value $

No of Items	Description	Year of Purchase	Original Cost	Present Value
	BEDROOM NO 3			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BEDROOM NO 4			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	DEN			
	Sofa			
	Desk			
	Chairs			
	Stereo, radio, T.V.			
	Book cases*, books			
	Rugs, drapes, curtains			
	Miscellaneous			

Sub-Total value $

o of ems	Description	Year of Purchase	Original Cost	Present Value
	DINING or BKFT. RM			
	Cabinets*, buffets			
	Tables, chairs			
	Appliances			
	Table linens			
	China, glassware			
	Silverware			
	Lamps, clocks, vases			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	FAMILY ROOM			
	Game equipment			
	Toys			
	Sofas, chairs			
	Bar* and sundries			
	Rugs*, drapes, curtains			
	Miscellaneous			
	TCHEN and LAUNDRY			
	Cabinets*			
	Tables, chairs			
	Range*			
	Refrigerator			
	Washer			
	Dryer			
	Utensils			
	Food, canned goods			
	Dish washer*			
	Miscellaneous			

Sub Total Value $ ________

No of Items	Description	Year of Purchase	Original Cost	Present Value
	WOMEN'S CLOTHING			
	Coats			
	Suits			
	Dresses			
	Skirts			
	Sweaters			
	Hats			
	Shoes			
	Furs			
	Sports clothes			
	Miscellaneous			
	MEN'S CLOTHING			
	Suits			
	Overcoats			
	Shirts			
	Sports clothes			
	Hats			
	Shoes			
	Slacks			
	Miscellaneous			
	CHILDREN'S CLOTHING			
	Coats			
	Suits			
	Dresses			
	Hats, caps			
	Shoes			
	Shirts			
	Sweaters			
	Miscellaneous			

Sub Total Value $ ________

No of Items	Description	Year of Purchase	Original Cost	Present Value
	JEWELRY			
	Ladies' rings			
	Men's rings			
	Ladies' watches			
	Men's watches			
	Necklaces			
	Bracelets			
	Cigarette cases, lighters			
	Miscellaneous			
	MISCELLANEOUS			
	Hobby items			
	Bicycles			
	Tricycles			
	Sports equipment			
	Cameras, projector			
	Musical instruments			
	Fans, humidifier			
	Trunks, luggage			
	Freezer			
	Sweepers			
	Household tools			
	Garden tools			
	Lawn mowers			
	Lawn furniture			
	Playground equipment			
	Porch furniture			
	Ladders			
	Workbench*			
	Fuel			
	Miscellaneous			

Sub Total Value $ ________

BE SAFE! Keep a copy of the completed inventory in a safe place. Usually a bank deposit box is a good place if you have one. Remember to keep the form some place other than in your house. If fire should then strike, the inventory would help to determine your losses. If you don't already have homeowners insurance (or renters insurance) this form will help you decide how much insurance you need to cover your home and possessions.

If you rent an apartment or a house, the renters type of package insurance will cover the cost of replacing your possessions.

Personal Liability Protection is a part of every homeowners and renters policy. It protects you against injury claims from accidents to others while on your property. It also protects you for accidental damage you may cause to others while they are on your property. The protection covers the cost of defending a claim against you. Homeowners policies also provide some coverage for your personal property when it is outside your home.

These policies will also usually cover living expenses if your home is damaged and you are forced to live in a motel or another place while your home is being repaired.

TYPES OF HOMEOWNERS POLICIES. There are five basic types of homeowners insurance. The five types are listed as:

1) Basic Form
2) Broad Form
3) Special Form
4) Contents Broad Form
5) Comprehensive Form

Some insurance companies may use a different name for one or more of these types of policies. To see why there are five basic types, let's look at what each provides.

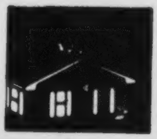
1) **The Basic Form:**

This protects your home and your personal property . Included are:

- furniture
- carpeting
- personal effects

Your home and personal property are protected from:

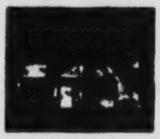
- fire
- theft
- lightning
- wind, hail
- vandalism
- vehicles
- aircraft
- explosion
- riot



Fire

Theft

Lightning

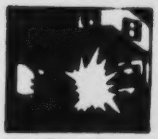


Wind, Hail

Vandalism

Vehicles

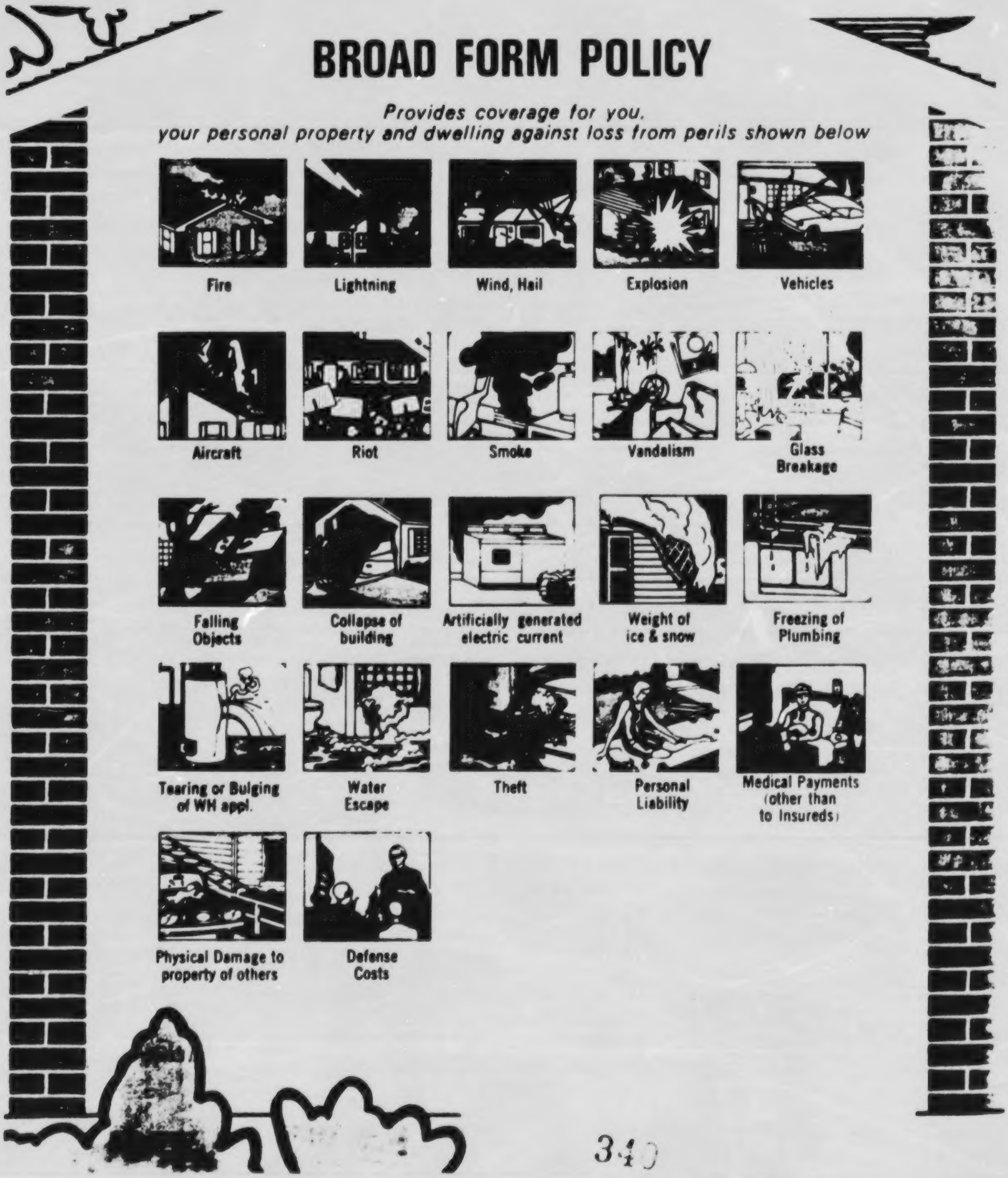
Aircraft



Explosion

Riot

2) **The Broad Form:**
The Broad Form covers everything the Basic Form covers. In addition, other different types of losses are covered.



BROAD FORM POLICY

Provides coverage for you, your personal property and dwelling against loss from perils shown below

Fire
Lightning
Wind, Hail
Explosion
Vehicles
Aircraft
Riot
Smoke
Vandalism
Glass Breakage
Falling Objects
Collapse of building
Artificially generated electric current
Weight of ice & snow
Freezing of Plumbing
Tearing or Bulging of WH appl.
Water Escape
Theft
Personal Liability
Medical Payments (other than to Insureds)
Physical Damage to property of others
Defense Costs

3) **The Special Form:**
This type of policy covers your home against almost all losses that can happen. However, the Special Form covers your personal property only for the same things that are covered by the Broad Form. The only things that are **not** covered by this type of policy are: floods, surface water, sewer backups, tidal waves, earthquakes, landslides, war, and nuclear radiation.

4) **The Contents Broad Form:**
This is the package coverage for renters. It covers the contents of your home and has the same coverage as does the Broad Form.

5) **The Comprehensive Form:**
This form is just like the Special Form except it covers both your home **and** the contents against all losses. The only exceptions are those listed for the special form. (floods, surface water, etc. . . .)

Other Types of Protection:

FARMS:
The usual farm operation is not eligible for homeowners insurance. The insurance industry has developed a similar protective program for farm owners. It is very much like the homeowners program.

ALL RISK INSURANCE:
This type of coverage would be necessary for expensive items. The coverage amount offered for a regular homeowner policy may not be enough to cover some very expensive items. Such items would include: cameras, art objects, furs, jewelry, and valuable collections such as stamps, coins, or antiques.

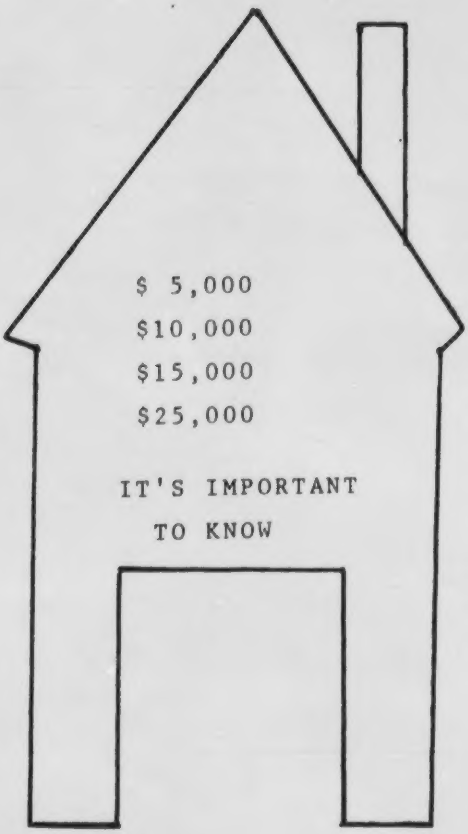
HOW MUCH INSURANCE SHOULD YOU HAVE? Your home should be insured for at least 80% of its replacement value. To adequately insure your home, you must know its replacement value. This may not be easy. Your home may be worth much more than when you purchased it. It could possibly be worth less. If you are not sure of the value of your home, you should have it appraised.

IS YOUR PROPERTY WORTH . . .

DEDUCTIBLE CLAUSES. Insurance companies have deductible clauses in their homeowners policies. There's a $100 deductible in most policies. This means that you would pay for the first $100 of all losses. Sometimes the deductible amount can be reduced or increased if the policyholder feels this will better serve his needs. Deductibles save the insurance companies money since they don't have to process and pay small claims. These small claims cost just as much to process as large claims. The savings are passed on to the policyholders, who then pay less for policies with deductible clauses.

KEEPING YOUR INSURANCE UP TO DATE. The cost of building a home is going up very quickly. Most insurance companies offer policies that self-adjust to cope with inflation. This type of coverage automatically increases as building costs increase.

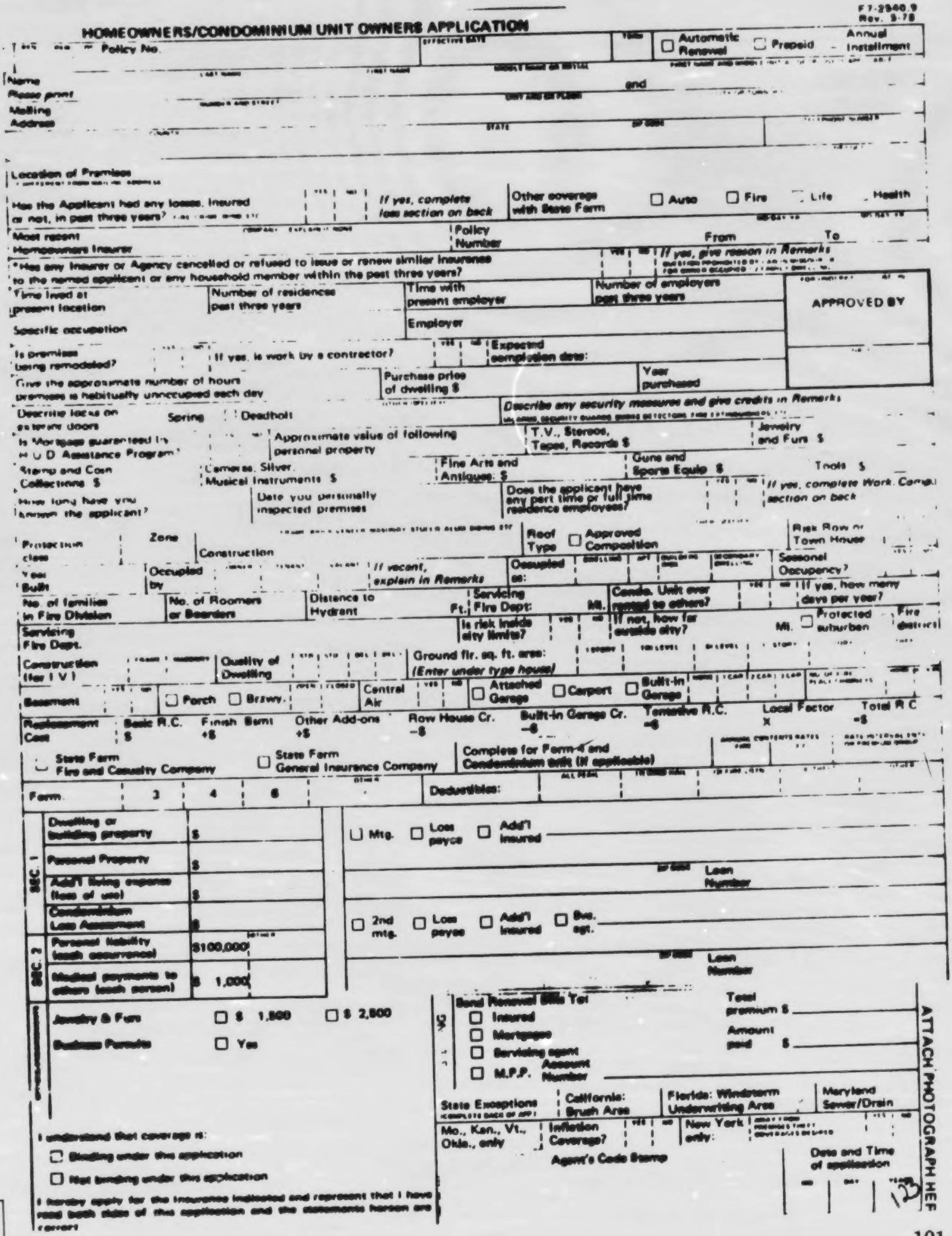
If your insurance policy for your home does not have this provision you should review your coverage at least once a year. You may have to adjust your policy at this time to cover the increased building costs.



ACTIVITY 12

FORMS! FORMS! FORMS! All insurance forms seem complicated. This is because so much accurate information is needed. Find the Homeowners/Condominium Unit Owners Application Form in your Student Response Booklet. Fill it out as if you were applying for a policy for your home. You may need help with this activity. Ask your teacher for needed assistance.

ACTIVITY 12



F7-2940.9
Rev. 3-78

HOMEOWNERS/CONDOMINIUM UNIT OWNERS APPLICATION

Policy No. | Effective Date | ☐ Automatic Renewal ☐ Prepaid Annual Installment

Name (Please print) | Last Name | First Name | Middle Name or Initial | and

Mailing Address | Number and Street | Unit and/or Floor | City | State | Zip Code | Telephone Number

Location of Premises

Has the Applicant had any losses, insured or not, in past three years? | Yes | No | *If yes, complete loss section on back*

Other coverage with State Farm ☐ Auto ☐ Fire ☐ Life ☐ Health

Most recent Homeowners Insurer | Policy Number | From | To

*Has any Insurer or Agency cancelled or refused to issue or renew similar insurance to the named applicant or any household member within the past three years? | Yes | No | *If yes, give reason in Remarks*

Time lived at present location | Number of residences past three years | Time with present employer | Number of employers past three years

APPROVED BY

Specific occupation | Employer

Is premises being remodeled? | Yes | No | If yes, is work by a contractor? | Yes | No | Expected completion date:

Give the approximate number of hours premises is habitually unoccupied each day | Purchase price of dwelling $ | Year purchased

Describe locks on exterior doors | Spring | Deadbolt | *Describe any security measures and give credits in Remarks*

Is Mortgage guaranteed by H U D Assistance Program? | Yes | No | Approximate value of following personal property | T.V., Stereos, Tapes, Records $ | Jewelry and Furs $

Stamp and Coin Collections $ | Cameras, Silver, Musical Instruments $ | Fine Arts and Antiques: $ | Guns and Sports Equip. $ | Tools $

How long have you known the applicant? | Date you personally inspected premises | Does the applicant have any part time or full time residence employees? | Yes | No | *If yes, complete Work. Comp. section on back*

Protection class | Zone | Construction | Roof Type ☐ Approved Composition | Risk Row or Town House

Year Built | Occupied by | *If vacant, explain in Remarks* | Occupied as: | Seasonal Occupancy?

No. of families in Fire Division | No. of Roomers or Boarders | Distance to Hydrant Ft. | Servicing Fire Dept: Mi. | Condo. Unit ever rented to others? | Yes | No | If yes, how many days per year?

Servicing Fire Dept. | Is risk inside city limits? | Yes | No | If not, how far outside city? Mi. | ☐ Protected suburban | Fire district

Construction (for I V) | Quality of Dwelling | Ground flr. sq. ft. area: *(Enter under type house)*

Basement | Yes | No | ☐ Porch ☐ Brzwy. | Central Air | Yes | No | ☐ Attached Garage ☐ Carport ☐ Built-in Garage

Replacement Cost | Basic R.C. $ | Finish Bsmt +$ | Other Add-ons +$ | Row House Cr. −$ | Built-in Garage Cr. −$ | Tentative R.C. =$ | Local Factor X | Total R.C. =$

☐ State Farm Fire and Casualty Company | ☐ State Farm General Insurance Company | Complete for Form 4 and Condominium unit (if applicable)

Form | 3 | 4 | 6 | Other | Deductibles:

SEC. 1	Dwelling or building property	$
	Personal Property	$
	Add'l living expense (loss of use)	$
	Condominium Loss Assessment	$
SEC. 2	Personal liability (each occurrence)	$100,000
	Medical payments to others (each person)	$ 1,000

☐ Mtg. ☐ Loss payee ☐ Add'l insured

Zip Code | Loan Number

☐ 2nd mtg. ☐ Loss payee ☐ Add'l insured ☐ Bus. agt.

Zip Code | Loan Number

Jewelry & Furs ☐ $ 1,500 ☐ $ 2,500

Business Pursuits ☐ Yes

Send Renewal Bills To:
☐ Insured
☐ Mortgagee
☐ Servicing agent
☐ M.P.P. Account Number

Total premium $ ________
Amount paid $ ________

State Exceptions | California: Brush Area | Florida: Windstorm Underwriting Area | Maryland Sewer/Drain

Mo., Kan., Vt., Okla., only | Inflation Coverage? | Yes | No | New York only: | Yes | No

Agent's Code Stamp

Date and Time of application

I understand that coverage is:
☐ Binding under this application
☐ Not binding under this application

I hereby apply for the insurance indicated and represent that I have read both sides of this application and the statements herein are correct.

ATTACH PHOTOGRAPH HERE

A FINAL NOTE. When you buy insurance for your home, you should remember that your home is probably the largest investment you will ever make. Protection against financial loss is absolutely necessary. When you first consider the purchase of a home, you should budget for homeowners insurance.

ACTIVITY 13

Answer the following questions. Make all of your responses in your Student Response Booklet. If you miss any questions, go back and review.

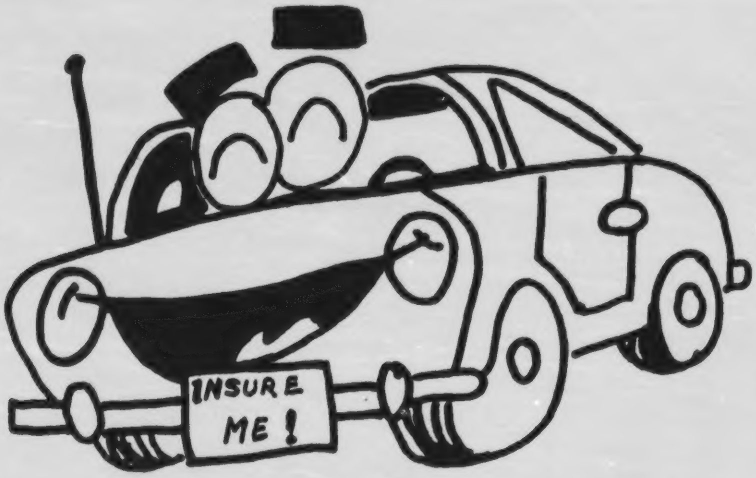
1) You should have an inventory of your personal possessions because:
   a. You need to know how much you are spending on furniture.
   b. If fire should ever strike, this record would help you and your insurance company settle your claim quickly.
   c. It is required by law.
2) You should keep a copy of your record of personal possessions:
   a. in a safe place in your home
   b. in a safe place away from your home
   c. in your basement
3) Personal liability coverage is part of:
   a. Broad Form Insurance only
   b. Special Form Insurance only
   c. every homeowners and renters policy
4) The type of insurance for your home and personal property that covers the most things is:
   a. Basic Form
   b. Broad Form
   c. Comprehensive Form
5) The BASIC FORM of homeowners insurance does not cover:
   a. weight of snow and ice
   b. lightning damage
   c. vandalism
6) Insurance coverage for renters is called:
   a. Broad Form
   b. Contents Broad Form
   c. Comprehensive Form
7) If you collect valuable antiques you should have:
   a. Comprehensive Form insurance
   b. Broad Form insurance
   c. All Risk insurance
8) Your home should be insured for at least:
   a. 80% of its replacement value
   b. 70% of its replacement value
   c. 90% of its replacement value
9) If you are not sure how much your property is worth you should:
   a. ask your insurance agent
   b. ask a lawyer
   c. have it appraised
10) Most insurance policies for the home have:
   a. $50 deductible clauses
   b. $100 deductible clauses
   c. $500 deductible clauses
11) If your homeowner's insurance policy does not have a self-adjustment to cover increased costs of building, you should review your policy:
   a. every year to be sure you are adequately covered
   b. every five years to be sure you are adequately covered
   c. every ten years to be sure you are adequately covered

INSURING YOUR CAR. No matter what it is called . . . car . . . auto . . . vehicle . . . everyone knows what you mean. The car has become a way of life in this country and around the world. Driving today is a part of our lives. Unfortunately it can also be a part of a death, injury, or personal property damage. It is at this point that insurance, (or lack of it), becomes important.

Since there are no laws requiring people to carry insurance, some people don't bother to do so. To be without insurance is to risk financial disaster for you and your family. You also risk injury, death, or property damage to other people without the ability to pay the bills. Because two or more vehicles are usually involved in most accidents, there is a law in Indiana called the **Financial Responsibility Law.** This law states that:

> "Each licensed driver must be prepared to pay the costs for any injury or damage he may cause while driving."

As you can see, the law does not say you **must** have insurance. However, for most people, insurance is the **only** way to be prepared to pay the huge costs that could come from having an accident.



TYPES OF POLICIES. The usual automobile insurance policy is called a "Family Car Policy." It covers you and the other members of your family who drive the family car. It will cover any licensed driver who drives your car with your permission. It will also cover you if you drive someone else's car with their permission.

There are 6 basic types of car insurance coverages. The chart shows the 6 types and who is covered by each type.

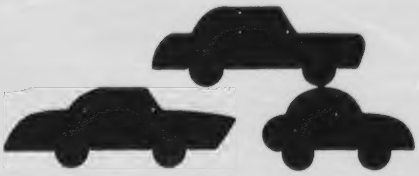
INSURANCE CHART

TYPE OF COVERAGE	WHO IT COVERS
BODILY INJURY LIABILITY	OTHER PERSONS INJURED BY THE POLICYHOLDER'S CAR
PROPERTY DAMAGE LIABILITY	PROPERTY OF OTHERS DAMAGED BY POLICYHOLDER'S CAR
MEDICAL PAYMENTS	INJURIES TO POLICYHOLDER AND HIS FAMILY
PROTECTION AGAINST UNINSURED MOTORISTS	POLICYHOLDER AND HIS FAMILY
COMPREHENSIVE PHYSICAL	DAMAGE TO POLICYHOLDER'S CAR EXCEPT BY COLLISION
COLLISION	DAMAGE TO POLICYHOLDER'S CAR BY COLLISION

The 6 coverages are available in different combinations. They are available in different amounts. Look at the order of the list. The types are arranged in the order of their importance. Since bodily injury liability is the most important, it comes first on the list. Everyone who drives should carry this one type of coverage. It covers injuries to other people. It could cost you many thousands of dollars if you have an accident in which someone is killed or injured. It could even cost you your future income if the injured party or his family decide to sue you.

The last 2 types on the list (Comprehensive and Collision) are carried to cover **your** property. They are usually carried if you have a fairly new or expensive car. If your car is very old, you may not want to carry these. It could cost more to insure your car than the car is worth!

In order to better understand what each type of coverage does, let's look at each one.



1) **Bodily Injury Liability** insurance applies when your car injures or kills:
   1) persons in other cars
   2) persons in your car
   3) pedestrians (people who are walking)

This insurance will pay for injury, sickness, disease, or death of others for which you may be legally responsible if you have an accident. Coverages are usually referred to in terms such as:

50/100/10 or 25/50/10

First Number
This is the limit the company will pay for injury to any one person.
(In Thousands)

Third Number
This is the most the company will pay for property damages to others.
(In Thousands)

25/50/10

Second Number
This is the limit the company will pay for injuries, no matter how many people are hurt.
(In Thousands)

THIS IS THE MOST IMPORTANT TYPE OF INSURANCE TO HAVE.

2) **Property Damage Liability** insurance applies when your car damages:
   1) another person's car
   2) property of others (houses, fences, posts, or any property belonging to someone else.)

Property Damage Liability insurance and **Bodily Injury Liability** insurance are used to meet the **Indiana Financial Responsibility Laws.** If you cannot afford any other type of insurance, you should be covered by these two if you plan to drive a car. In Indiana, the amount of insurance required to satisfy the financial responsibility law is:

First Number
$10,000 for death or injury to one person.

Third Number
$10,000 property damage per accident.

10/20/10

Second Number
$20,000 for two or more persons

3) **Medical Payments** insurance coverage pays medical expenses for injuries resulting from an accident. It pays for injury to:

(clip of the Red Cross symbol)

1) the policyholder and his family when riding in their own car
2) the policyholder and his family when riding in another person's car
3) guests riding in the car of the policyholder
4) the policyholder and his family if struck by a car while walking

Most people have some type of health insurance that will also cover these types of medical payments. You might want this type of additional medical coverage if:

1) you have a large family, or
2) other persons often ride in your car.

If you have this coverage, payments will be made regardless who is at fault. It will pay for medical expenses resulting from an accident up to one year after the accident. The payment limits stated in the policy refer to each individual injured.

4) **Protection Against Uninsured Motorists** coverage pays for injuries to the policyholder and members of his family for:

1) accidents involving a hit and run driver
2) accidents involving a driver who has no insurance

The advantage of this type of coverage is immediate payment by your insurance company for hospital and medical bills.

The cost of this coverage is very small for the amount of coverage it provides. This coverage will be a part of your basic liability coverage. If you decide not to have this kind of coverage, you must fill out and sign a special form. Otherwise, it will be included in your liability policy.

5) **Comprehensive Physical Damage** coverage applies to the policyholder's car only. The insurance company will pay for the following types of losses:

- glass breakage
- falling objects
- fire
- theft
- larceny
- explosion
- earthquake
- windstorm or hail
- water or flood
- vandalism
- riot
- collision with an animal
- loss of clothing or other personal articles if a car is stolen
- another form of transportation if your car is stolen

Most of these types of policies have a certain amount "deductible." This means that a part of the loss is paid by the policyholder. The rest is paid by the insurance company. If you have $50 deductible, you have to pay the first $50. The insurance company would pay the rest. This type of "deductible" feature in the policy lowers the cost of the insurance. You could also have deductible in other amounts such as $100, $200, or even more.

6) **Collision** coverage pays only for damages to the policyholder's car. It pays for damages caused by:

1) hitting another person's car
2) hitting an object other than a car
3) turning the car over

The cost for this type of coverage depends on the age and/or value of your car. If your car is newer or very valuable, the cost will be higher. Collision coverage pays regardless of who is at fault. If the other driver in an accident is at fault, your insurance company can pay you for your damages and then collect from the other person's insurance company. For a very old car, the cost of this coverage may be more than the car is worth.

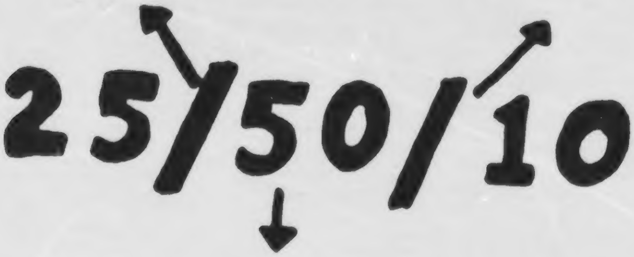
If you buy a car on time payments, you will often be required by the bank or loan company to carry this type of coverage for the car. This is to protect their interest in your car.

Collision coverage is usually written with a $50 or $100 deductible clause. You pay the first $50 or $100 and the company pays the rest for the damages. It could also be called 80/20 coverage. The company pays 80% of the cost and you pay the other 20% up to $250.00.

ACTIVITY 14

Answer the questions below about the different types of car insurance coverage. Make all of your answers in your Student Response Booklet. If you miss any questions go back and review.

1. The **Financial Responsibility Law** in Indiana says that:
   a. Each driver must be paid for any damages or injury he may receive while driving.
   b. Each driver must be prepared to pay for any damages or injury he may cause while driving.
   c. Each driver must carry car insurance.
2. There are six basic types of policies for car insurance. The most important types to carry are:
   a. property damage and bodily injury liability
   b. property damage liability and comprehensive physical
   c. bodily injury liability and collision
3. Bodily injury liability and property damage liability insurance covers:
   a. the policyholder and his car
   b. the other person, his family and his car
   c. anyone involved in any type of accident
4. Look at the numbers and answer the questions.



   a. What does the first number mean?
   b. What does the second number mean?
   c. What does the third number mean?
5. Medical Payments insurance covers:
   a. the person you may hit
   b. anyone involved in an accident
   c. the policyholder, his family, and guests in his car
6. The type of insurance that would repair your car if a tree fell on it is:
   a. property damage liability
   b. comprehensive physical damage
   c. collision
7. The type of insurance that would repair your car if it were damaged by theft is:
   a. property damage liability
   b. comprehensive physical damage
   c. collision
8. The type of insurance that would repair the other person's car if it were damaged by an accident that was your fault is:
   a. property damage liability
   b. comprehensive physical damage
   c. collision
9. If you have insurance that is "$50 deductible" this means that:
   a. Your insurance company will pay the first $50 and you must pay the rest for any accident.
   b. You can deduct $50 from the premium if you don't have any accidents.
   c. You must pay the first $50 and the insurance company will pay the rest for any accident.
10. Collision insurance covers:
    a. damages to the policyholder's car
    b. damages to the other person's car
    c. damages to anyone's car regardless of who is at fault
11. If you have a very old car, you probably would not want to carry:
    a. bodily injury liability
    b. collision
    c. property damage liability

THE COST OF YOUR CAR INSURANCE

Insurance rates are based on statistics. For example, statistics show that unmarried male drivers under the age of 25, have more accidents and more serious accidents than other persons. This is based on the average unmarried, male driver under age 25. For this reason, insurance rates for this type of driver will be higher. Some companies will only carry so many of these high risk drivers.

People who live in large cities will also pay more for car insurance. This is because statistics show that they are likely to be involved in more accidents. They are also more likely to suffer a loss from thefts or vandalism.

Sometimes companies offer a discount to persons who have few accidents on their records. They might also offer a discount to a driver under age 25 who has completed a driver's education course. There is often a discount offered to students who carry a "B" average in school. This discount is usually 25%.

Another kind of discount is available to families who have more than one car insured with the same company. This is usually 10%. You should check out different companies and their discounts before you buy your automobile insurance.

Different companies have different rates. You can learn a lot by calling companies yourself. You can also learn by talking to other people about their insurance rates. You should make some of these inquiries and comparisons before you buy.

You should also discuss the cancellation policy of your insurance with the agent. It is important to know when the company reserves the right to cancel your policy. Companies will usually cancel a policy for one of the following reasons:

1) You have a bad driving record.
2) You gave false information when you applied for the insurance.
3) The company already insures too many people in your age bracket. This usually happens to drivers under age 25.

If you are ever refused insurance or have your policy cancelled, you will have to get insurance through the "Assigned Risk Plan." Each state has such a plan for persons who are denied insurance for one reason or another through regular insurance companies. The cost of your insurance through the Assigned Risk Plan is based on your driving record. If your record is very bad, your insurance rates will be very high.

ACTIVITY 15

You will need the telephone book for this activity. Look in the yellow pages under insurance or car insurance. Pick out three different companies and write down their phone numbers.

Now you need to call these three companies and ask the price for the following types of insurance. Tell them the kind of car you have. If you do not have a car, pretend you have one and give them the make of the car and the year. You will also need to tell the insurance company your age.

Types of insurance:

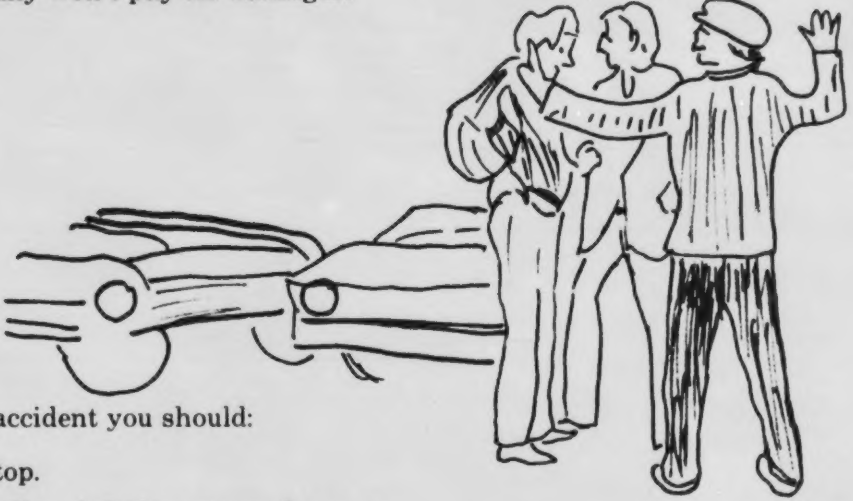
1) Liability (Both Bodily Injury and Property Damage)
2) Liability (Property Damage and Bodily Injury) and Collision
3) Liability (Property Damage and Bodily Injury), Collision, and Comprehensive.

Record the cost from each of the 3 companies for each of the 3 amounts of coverage above. State that you want your collision and comprehensive to be $50 deductible. There is a chart in your response booklet that you should use to record your information.

ACTIVITY 16

After you have finished obtaining this information, fill in the insurance application form in your Student Response Booklet. Pretend you are insuring the car you asked about in the phone calls to the companies. Also pretend you are insuring it for Bodily Injury Liability and Property Damage Liability on the application. If you have trouble with the application, ask your teacher for help. There may be parts of the application that an insurance agent must explain to you. You may leave these parts blank

AFTER AN ACCIDENT! If you are involved in an accident, your insurance company will expect certain information. If you don't do this, it may mean that your insurance company won't pay for damages.



In case of an accident you should:

1. Always stop.
2. Call the police. Ask them to send an ambulance if one is needed.
3. Don't make any comments at the scene about being responsible for the accident.

It is important to collect the following information at the scene of an accident:

1. The policeman's name and badge number.
2. The name of any doctor called to the scene.
3. Information about the other car. This should include:
    a. make, model, year and license number
    b. other driver's name
    c. name of other driver's insurance company
    d. the name of the owner of the car.
4. The name, address and telephone number of any witnesses.
5. The exact location of the accident.
6. A brief description of the accident, including your speed, weather and road conditions, date, and the time of day.

Keep this information. You will need it! Call your insurance agent as soon as possible. He will want all of this information.

ACTIVITY 17

Look at the claim form in your Student Response Booklet. If you ever have an accident, you may be asked to fill out a similar form for your insurance company. Fill out the form as if an accident really happened. If you need help, ask your teacher for assistance.

THE LAW. If you are involved in an accident which results in more than $100 damage, you must report it to the State Police. This must be done within 5 days after the accident. If you fail to do this, you may lose your license and/or be fined up to $100.00.

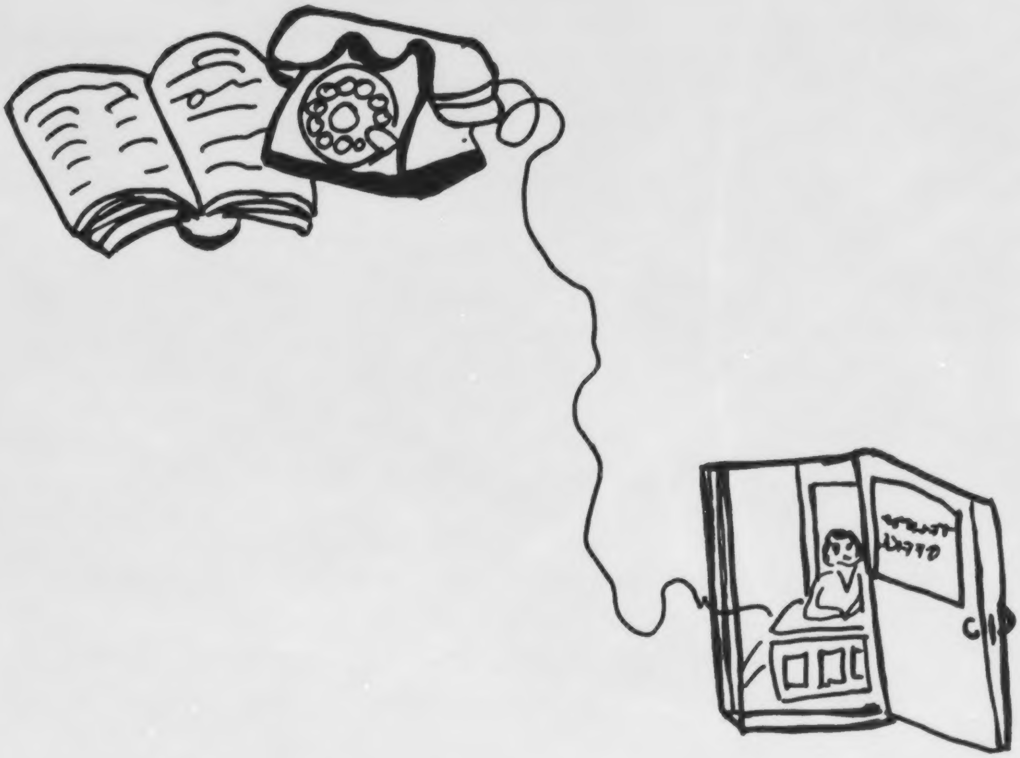
This type of report is called the SR-21 report. You should be familiar with this type of report.

ACTIVITY 18

Your teacher should have copies of an SR-21 report. Ask for one of these. Fill it out and make up names, locations and cars. If you have trouble with this, ask your teacher to help you.

WHERE TO GO FOR HELP. If you need information or have a complaint about your insurance you should contact:

Consumer Services Division
Department of Insurance
State of Indiana
509 State Office Building
Indianapolis, Indiana 46204
Phone: (317) 633-6338



Give them the details of the situation, the policy number, and the name of the insurance company.

CONSUMER ECONOMICS - 18 ANSWER KEY

ACTIVITY 1

Answers will vary.

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Answers will vary.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

1. C
2. D
3. B
4. E
5. A

ACTIVITY 6

1. \$10.97 x 10 = \$109.70
2. \$45.26 x 10 = \$452.60
3. \$33.44 x 5 = \$167.20
4. \$ 5.10 x 5 = \$ 25.50
5. yes

ACTIVITY 7

Form — answers will vary.

ACTIVITY 8

Answers will vary.

ACTIVITY 9

Form — answers will vary.

ACTIVITY 10

Form — answers will vary.

ACTIVITY 11

Form — answers will vary.

ACTIVITY 12

Form — answers will vary.

ACTIVITY 13

1. B
2. B
3. C
4. C
5. A
6. B
7. C
8. A
9. C
10. B
11. A

ACTIVITY 14

1. B
2. A
3. A
4.
   - a. **\$25,000** for death or injury to one person
   - b. **\$5,000** for death or injury to two or more persons
   - c. **\$10,000** property damage per accident
5. C
6. B
7. B
8. A
9. C
10. A
11. B

ACTIVITY 15

Answers will vary.

ACTIVITY 16

Form — answers will vary.

ACTIVITY 17

Form — answers will vary.

ACTIVITY 18

Form — answers will vary.

STUDENT RESPONSE BOOKLET

INSURANCE
CE-18

NAME ______________________________

DATE ______________________

ACTIVITY 1

List the reasons you would buy life or property insurance below:

Life Insurance: ______________________________

Property Insurance: ______________________________

ACTIVITY 2

1) The Insured: ______________________________

2) The Face Amount: ______________________________

3) The Beneficiary: ______________________________

4) The Premium: ______________________________

5) Premium Class: ______________________________

6) Policy Date: ______________________________

7) Insured's Age: ______________________________

ACTIVITY 3

Write a meaning for each term:

1) term ______________________________

2) renewable term ______________________________

3) convertible term ______________________________

4) whole life ______________________________

5) modified whole life ______________________________

6) endowment ______________________________

7) cash value ______________________________

8) surrender value ______________________________

9) loan value ______________________________

ACTIVITY 4

Write below about the life insurance policy you have or think you should have. Be sure to include the type of policy, (term, whole life, or endowment), and also the reasons you think this would be the best policy for you.

ACTIVITY 5

1. waiver of premium	a. You pay the overdue premium and interest to put the policy back into effect.
2. accidental death benefit	b. A period that usually lasts about 1 month.
3. grace period	c. The company pays the premium for you if you are disabled.
4. lapse	d. The company pays double because you died from an accident.
5. reinstatement	e. The due date and the grace period have gone by.

ACTIVITY 6

Using the table in your booklet, answer the questions below:

1. If I am 18 years old and I buy a straight life policy worth $10,000, what will the annual premium be?
2. If I am 40 years old and I buy a 20 year Endowment policy worth $10,000, what will the annual premium be?
3. If I am 50 years old and I buy a straight life policy for $5,000, what will the annual premium be?
4. If I am 25 years old and I buy a Limited payment, 20 year policy for $5,000, what will the annual premium be?
5. Does the payment for a policy go up as you get older?

Yes ________ No ________

ACTIVITY 7

Fill out the application below:

PART 1 OF APPLICATION FOR INSURANCE

1. Full name of applicant USE BLACK INK ONLY

2. A. Residence: Street
City or Town
County State
B. Residence addresses (ST., CITY AND STATE) last three years
C. Do you contemplate a change in residence or foreign travel? IF SO, GIVE DETAILS

3. A. Occupation
B. Name of employer and business address
C. Previous occupations in last five years
D. Have you any other occupations? IF SO, GIVE DETAILS
E. Do you contemplate any change in occupation? IF SO, GIVE DETAILS

4. A. Have you ever piloted or have you any intention of piloting any type of aircraft?
B. Have you taken any aerial flights in the last 12 months other than as a passenger?
IF EITHER PART IS ANSWERED "YES" SUBMIT AVIATION SUPPLEMENT

5. Will insurance now being applied for replace insurance in this or any other company? IF SO, GIVE DETAILS

6. Are you insured in this Company?

7. A. Is your life insured in any other company or companies? IF SO, GIVE FULL DETAILS BELOW

Names of Companies	Amounts	Kinds	Dates of Issue	Special Provisions		
				Waiver	Dis. Inc.	A.D.B.

B. What would be the amount of your disability income, if disabled? EXCLUSIVE OF INSURANCE IN THIS COMPANY
FROM 1. All life insurance policies $ per month
FROM 2. All accident and health policies $ per month

8. Date of Birth	Month	Day	Year	AGE LAST BIRTHDAY

9. Birthplace CITY, STATE

10. Are you CHECK ☐ Single ☐ Married ☐ Widowed ☐ Divorced

11. During the past five years have you had advice, attendance, or treatment by a physician or any other person? If so, give nature of ailment, duration, approximate date and names and addresses of physicians or other persons consulted.

12. A. Plan of insurance

CHECK PROVISIONS DESIRED
B. ☐ Waiver of Premiums C. ☐ Waiver of Premiums and Monthly Income D. ☐ Death by Accidental Means

13. Amount of insurance

14. Premiums payable in advance CHECK METHOD OF PAYMENT
☐ Annually ☐ Semiannually ☐ Quarterly ☐ Monthly

15. Beneficiary GIVEN NAME AND RELATIONSHIP

(Endowments are made payable to the insured at maturity unless otherwise requested.)

16. Which of the following rights do you reserve as to a change of beneficiary, any change being subject to the consent of the Company?
STRIKE OUT ONE
A. The right to change and successively change to any beneficiary
B. No right to change except with the consent of all beneficiaries

17. Dividends to be: STRIKE OUT METHODS NOT DESIRED
A. Paid in cash
B. Applied in reduction of premium
C. Used to purchase paid-up additions
D. Left with the Company to accumulate at interest

18. Is the Automatic Premium Loan Provision requested? CHECK ☐ YES ☐ NO

19. Has the first premium on the insurance hereby applied for been paid? If so, state amount paid $

I understand and agree that:

1. If the premium on the insurance herein applied for has been paid to the Company's agent, in exchange for the Company's signed advance premium receipt numbered the same as Part 1 hereof, the insurance as provided by the policy shall be effective from the date of Part 2 of this application PROVIDED the Company shall approve this application at its Home Office. If this application is not so approved, I will accept the return of the premium paid and surrender the advance premium receipt.

2. If the premium on the insurance herein applied for has not been paid, such insurance shall become effective on the date of issue stated in the policy PROVIDED the Company has approved this application at its Home Office, the premium has been paid, and the policy delivered to me while I am in good health.

I hereby declare that all the answers and statements herein contained are full, complete, and true, and have been correctly recorded.

Signed at________________________
City State

and dated this________ day of____________, 19___

In My Presence________________________

Applicant________________________

Address all mail to________________________

____

General Agent submitting application

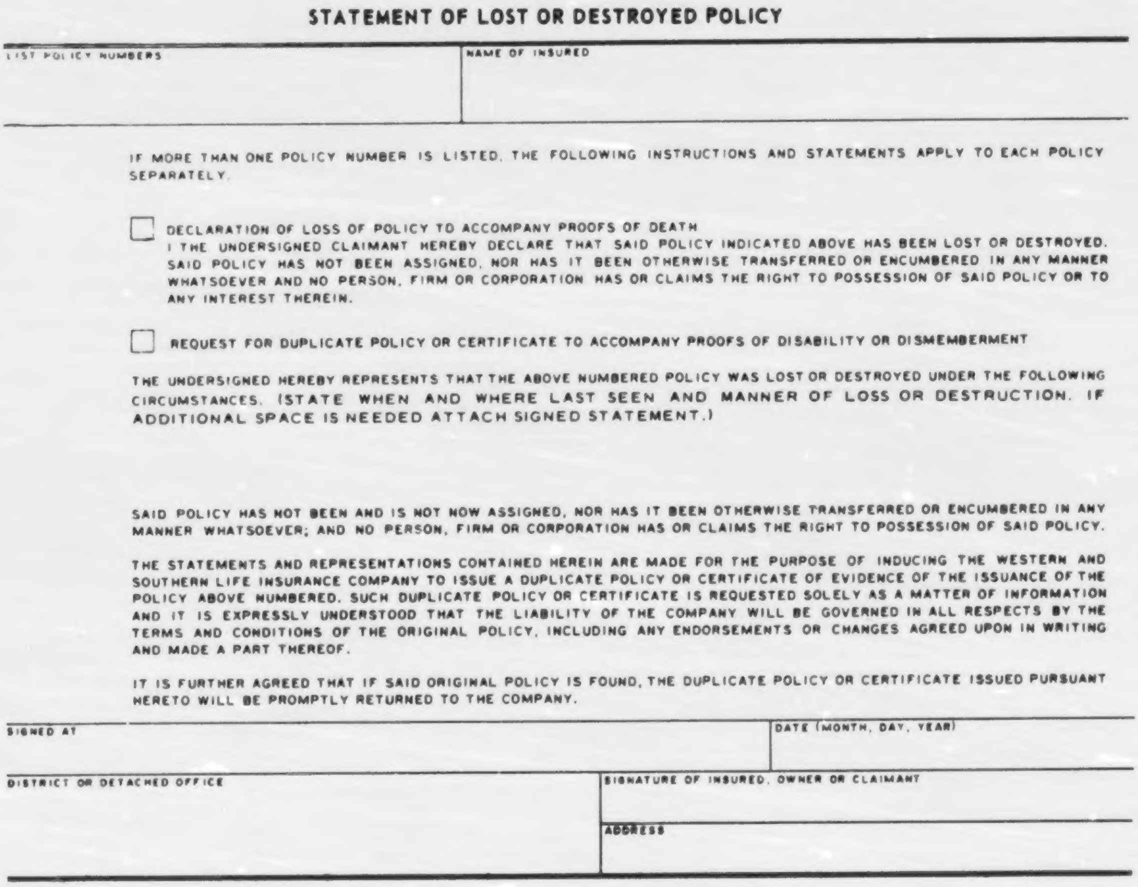
Agent who actually solicited this application

ACTIVITY 8

1. ______________________________
2. ______________________ 3. More ________ Less ________
4. ______________________ 5. Yes ________ No ________
6. Yes ________ No ________ How much? ______________________
7. Age: ________ 8. ______________________________
9. ______________________

ACTIVITY 9

Fill in the form below:



STATEMENT OF LOST OR DESTROYED POLICY

LIST POLICY NUMBERS	NAME OF INSURED

IF MORE THAN ONE POLICY NUMBER IS LISTED, THE FOLLOWING INSTRUCTIONS AND STATEMENTS APPLY TO EACH POLICY SEPARATELY.

☐ DECLARATION OF LOSS OF POLICY TO ACCOMPANY PROOFS OF DEATH
I THE UNDERSIGNED CLAIMANT HEREBY DECLARE THAT SAID POLICY INDICATED ABOVE HAS BEEN LOST OR DESTROYED. SAID POLICY HAS NOT BEEN ASSIGNED, NOR HAS IT BEEN OTHERWISE TRANSFERRED OR ENCUMBERED IN ANY MANNER WHATSOEVER AND NO PERSON, FIRM OR CORPORATION HAS OR CLAIMS THE RIGHT TO POSSESSION OF SAID POLICY OR TO ANY INTEREST THEREIN.

☐ REQUEST FOR DUPLICATE POLICY OR CERTIFICATE TO ACCOMPANY PROOFS OF DISABILITY OR DISMEMBERMENT

THE UNDERSIGNED HEREBY REPRESENTS THAT THE ABOVE NUMBERED POLICY WAS LOST OR DESTROYED UNDER THE FOLLOWING CIRCUMSTANCES. (STATE WHEN AND WHERE LAST SEEN AND MANNER OF LOSS OR DESTRUCTION. IF ADDITIONAL SPACE IS NEEDED ATTACH SIGNED STATEMENT.)

SAID POLICY HAS NOT BEEN AND IS NOT NOW ASSIGNED, NOR HAS IT BEEN OTHERWISE TRANSFERRED OR ENCUMBERED IN ANY MANNER WHATSOEVER; AND NO PERSON, FIRM OR CORPORATION HAS OR CLAIMS THE RIGHT TO POSSESSION OF SAID POLICY.

THE STATEMENTS AND REPRESENTATIONS CONTAINED HEREIN ARE MADE FOR THE PURPOSE OF INDUCING THE WESTERN AND SOUTHERN LIFE INSURANCE COMPANY TO ISSUE A DUPLICATE POLICY OR CERTIFICATE OF EVIDENCE OF THE ISSUANCE OF THE POLICY ABOVE NUMBERED. SUCH DUPLICATE POLICY OR CERTIFICATE IS REQUESTED SOLELY AS A MATTER OF INFORMATION AND IT IS EXPRESSLY UNDERSTOOD THAT THE LIABILITY OF THE COMPANY WILL BE GOVERNED IN ALL RESPECTS BY THE TERMS AND CONDITIONS OF THE ORIGINAL POLICY, INCLUDING ANY ENDORSEMENTS OR CHANGES AGREED UPON IN WRITING AND MADE A PART THEREOF.

IT IS FURTHER AGREED THAT IF SAID ORIGINAL POLICY IS FOUND, THE DUPLICATE POLICY OR CERTIFICATE ISSUED PURSUANT HERETO WILL BE PROMPTLY RETURNED TO THE COMPANY.

SIGNED AT	DATE (MONTH, DAY, YEAR)
DISTRICT OR DETACHED OFFICE	SIGNATURE OF INSURED, OWNER OR CLAIMANT ADDRESS

ACTIVITY 10

INSTRUCTIONS

QUESTIONNAIRE FOR ACCIDENTAL DEATH CLAIMS

1. CONDUCT A THOROUGH INVESTIGATION OF ALL ACCIDENTAL DEATH CLAIMS. IF YOU HAVE ANY PROBLEMS SECURING INFORMATION, CONSULT POLICE, SHERIFF, PROSECUTOR OR CORONER.

   NOTE: COMPLETE AND ACCURATE ANSWERS TO ALL QUESTIONS WILL ELIMINATE UNNECESSARY CORRESPONDENCE AND DELAY IN CLAIM PAYMENTS.

2. WHENEVER NECESSARY, SUPPLEMENT THIS FORM WITH A LETTER OF EXPLANATION.
3. OBTAIN AND SUBMIT NEWSPAPER CLIPPINGS WHICH GIVE A COMPLETE DESCRIPTION OF THE CIRCUMSTANCES LEADING TO DEATH.
4. IF DEATH OCCURRED WITHIN CONTESTABLE PERIOD, THE REVERSE SIDE OF THIS FORM MUST ALSO BE COMPLETED.

1 DISTRICT OR DETACHED OFFICE	2 ACCOUNT NUMBER	3 NAME OF DECEASED	4 DATE THE INSURED INJURED

5 IF NEWSPAPER CLIPPING DESCRIBING CIRCUMSTANCES LEADING TO DEATH DOES NOT EXIST, DESCRIBE FULLY HOW DEATH OCCURRED

6 IF AUTOMOBILE ACCIDENT, WAS THE INSURED DRIVING? ☐ YES ☐ NO

7 EXPLAIN ANY UNUSUAL CIRCUMSTANCE SURROUNDING DEATH

8A IS THERE ANY SUSPICION OF SUICIDE? ☐ YES ☐ NO

DID THE INSURED LEAVE A NOTE OR PREVIOUSLY THREATEN TO COMMIT SUICIDE? ☐ YES ☐ NO

8B. IF EITHER ANSWER IS YES, GIVE A COMPLETE REPORT. INVESTIGATE MOTIVE SUCH AS POOR HEALTH, FINANCIAL OR DOMESTIC DIFFICULTIES

9 IF CAUSE OF DEATH IS HOMICIDE, HAS ASSAILANT BEEN APPREHENDED? ☐ YES ☐ NO

10A IF YES, HAS ASSAILANT BEEN INDICTED BY THE GRAND JURY? ☐ YES ☐ NO

10B. IF INDICTED, GIVE DATE OF TRIAL

11 CHECK ANY OF THE FOLLOWING WHICH CAUSED OR CONTRIBUTED TO THE INSURED'S DEATH OR INJURY CAUSING DEATH.

☐ DIZZY SPELLS
☐ FAINTING
☐ HEART ATTACKS
☐ EPILEPSY
☐ DISEASE OF ANY KIND (GIVE NAME OF DISEASE)
☐ BODILY IMPAIRMENT (GIVE NATURE OF IMPAIRMENT)
☐ MENTAL IMPAIRMENT (STATE WHETHER SENILITY OR OTHER DISORDER)

12. REMARKS

DATE	SIGNATURE OF DISTRICT SALES MANAGER OR ASSOCIATE SALES MANAGER

REVIEW

Multiple Choice:

1. ______ 2. ______ 3. ______

4. ______ 5. ______ 6. ______

True or False:

7. ______ 8. ______ 9. ______

10. ______ 11. ______ 12. ______

Fill in the Blanks:

13. The type of insurance that pays "if" you die in a certain time period is called ________ .

14. The type of insurance that requires premiums to be paid as long as the insured lives is called ____

15. The type of insurance in which savings values increase most rapidly is called ________

HOUSEHOLD INVENTORY

NAME: ______________________

ADDRESS. ______________________

DATE: ______________________

No. of Items	Description	Year of Purchase	Original Cost	Present Value
	ENTRY and HALLS			
	Desks, tables			
	Cabinets			
	Chairs			
	Lamps, clocks, vases			
	Rugs*, drapes, curtains			
	Mirrors*			
	Pictures			
	Miscellaneous			
	LIVING ROOM			
	Cabinets*, bookcases*			
	Books			
	Tables			
	Desk			
	Sofas			
	Chairs			
	Lamps, clocks, vases			
	Pictures			
	Radio, stereo			
	Television			
	Piano, organ			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BATH NO 1			
	Cabinets*			
	Appliances			
	Towels, linens			
	Drugs, sundries			
	Miscellaneous			

Sub Total value $ ______

No. of Items	Description	Year of Purchase	Original Cost	Present Value
	BEDROOM NO 1			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BEDROOM NO 2			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BATH NO 2			
	Cabinets*			
	Appliances			
	Towels, linens			
	Drugs, sundries			
	Miscellaneous			

Sub Total value $ ______

No. of Items	Description	Year of Purchase	Original Cost	Present Value
	BEDROOM NO 3			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	BEDROOM NO 4			
	Beds			
	Mattresses			
	Linens, pillows			
	Dressing tables			
	Chests			
	Chairs			
	Radios, television			
	Lamps			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	DEN			
	Sofa			
	Desk			
	Chairs			
	Stereo, radio, T.V.			
	Book cases*, books			
	Rugs, drapes, curtains			
	Miscellaneous			

Sub Total value $ ______

No. of Items	Description	Year of Purchase	Original Cost	Present Value
	DINING or BKFT RM			
	Cabinets*, buffets			
	Tables, chairs			
	Appliances			
	Table linens			
	China, glassware			
	Silverware			
	Lamps, clocks, vases			
	Mirrors*, pictures			
	Rugs*, drapes, curtains			
	Miscellaneous			
	FAMILY ROOM			
	Game equipment			
	Toys			
	Sofas, chairs			
	Bar* and sundries			
	Rugs*, drapes, curtains			
	Miscellaneous			
	KITCHEN and LAUNDRY			
	Cabinets*			
	Tables, chairs			
	Range*			
	Refrigerator			
	Washer			
	Dryer			
	Utensils			
	Food, canned goods			
	Dish washer*			
	Miscellaneous			

Sub Total Value $ ______

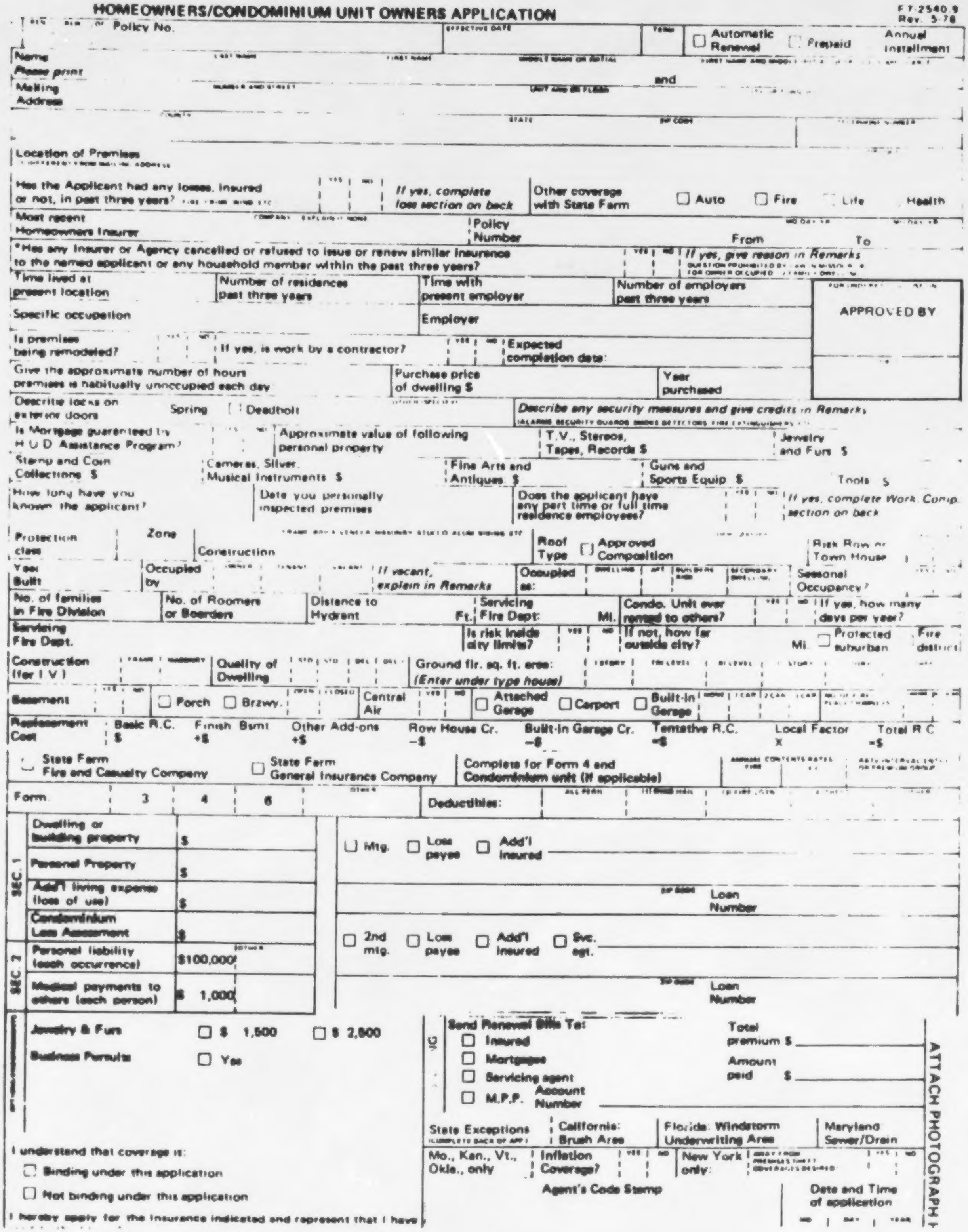
No. of Items	Description	Year of Purchase	Original Cost	Present Value
	WOMEN'S CLOTHING			
	Coats			
	Suits			
	Dresses			
	Skirts			
	Sweaters			
	Hats			
	Shoes			
	Furs			
	Sports clothes			
	Miscellaneous			
	MEN'S CLOTHING			
	Suits			
	Overcoats			
	Shirts			
	Sports clothes			
	Hats			
	Shoes			
	Slacks			
	Miscellaneous			
	CHILDREN'S CLOTHING			
	Coats			
	Suits			
	Dresses			
	Hats, caps			
	Shoes			
	Shirts			
	Sweaters			
	Miscellaneous			

Sub Total Value $ ______

No. of Items	Description	Year of Purchase	Original Cost	Present Value
	JEWELRY			
	Ladies' rings			
	Men's rings			
	Ladies' watches			
	Men's watches			
	Necklaces			
	Bracelets			
	Cigarette cases, lighters			
	Miscellaneous			
	MISCELLANEOUS			
	Hobby items			
	Bicycles			
	Tricycles			
	Sports equipment			
	Cameras, projector			
	Musical instruments			
	Fans, humidifier			
	Trunks, luggage			
	Freezer			
	Sweepers			
	Household tools			
	Garden tools			
	Lawn mowers			
	Lawn furniture			
	Playground equipment			
	Porch furniture			
	Ladders			
	Workbench*			
	Fuel			
	Miscellaneous			

Sub Total Value $ ______

ACTIVITY 12



HOMEOWNERS/CONDOMINIUM UNIT OWNERS APPLICATION

F7-2540.9
Rev. 5-78

Policy No. | EFFECTIVE DATE | TERM | ☐ Automatic Renewal | ☐ Prepaid | Annual Installment

Name (Please print) — LAST NAME — FIRST NAME — MIDDLE NAME OR INITIAL — and — FIRST NAME AND MIDDLE INITIAL OF SPOUSE

Mailing Address — NUMBER AND STREET — UNIT AND/OR FLOOR — COUNTY — STATE — ZIP CODE — TELEPHONE NUMBER

Location of Premises (IF DIFFERENT FROM MAILING ADDRESS)

Has the Applicant had any losses, insured or not, in past three years? YES NO — *If yes, complete loss section on back*

Other coverage with State Farm ☐ Auto ☐ Fire ☐ Life ☐ Health

Most recent Homeowners Insurer — COMPANY — Policy Number — From MO DAY YR To MO DAY YR

*Has any Insurer or Agency cancelled or refused to issue or renew similar insurance to the named applicant or any household member within the past three years? YES NO — *If yes, give reason in Remarks*

Time lived at present location | Number of residences past three years | Time with present employer | Number of employers past three years

Specific occupation | Employer

APPROVED BY

Is premises being remodeled? YES NO | If yes, is work by a contractor? YES NO | Expected completion date:

Give the approximate number of hours premises is habitually unoccupied each day | Purchase price of dwelling $ | Year purchased

Describe locks on exterior doors — Spring ☐ Deadbolt — OTHER (SPECIFY) | *Describe any security measures and give credits in Remarks*

Is Mortgage guaranteed by H U D Assistance Program? YES NO | Approximate value of following personal property | T.V., Stereos, Tapes, Records $ | Jewelry and Furs $

Stamp and Coin Collections $ | Cameras, Silver, Musical Instruments $ | Fine Arts and Antiques $ | Guns and Sports Equip $ | Tools $

How long have you known the applicant? | Date you personally inspected premises | Does the applicant have any part time or full time residence employees? YES NO — *If yes, complete Work Comp. section on back*

Protection class | *Zone* | Construction | Roof Type ☐ Approved Composition | Risk Row or Town House

Year Built | Occupied by — OWNER — TENANT — VACANT — *If vacant, explain in Remarks* | Occupied as: — DWELLING — APT — SECONDARY DWELLING | Seasonal Occupancy?

No. of families in Fire Division | No. of Roomers or Boarders | Distance to Hydrant Ft. | Servicing Fire Dept: Mi. | Condo. Unit ever rented to others? YES NO — If yes, how many days per year?

Servicing Fire Dept. | Is risk inside city limits? YES NO | If not, how far outside city? Mi. | ☐ Protected suburban | Fire district

Construction (for I.V.) — FRAME — MASONRY | Quality of Dwelling | Ground flr. sq. ft. area: *(Enter under type house)*

Basement YES NO | ☐ Porch ☐ Brzwy. — OPEN — CLOSED | Central Air YES NO | ☐ Attached Garage ☐ Carport ☐ Built-in Garage

Replacement Cost | Basic R.C. $ | Finish Bsmt +$ | Other Add-ons +$ | Row House Cr. −$ | Built-in Garage Cr. −$ | Tentative R.C. =$ | Local Factor X | Total R.C. =$

☐ State Farm Fire and Casualty Company | ☐ State Farm General Insurance Company | Complete for Form 4 and Condominium unit (if applicable)

Form | 3 | 4 | 6 | OTHER | Deductibles: ALL PERILS

SEC. 1	Dwelling or building property	$
	Personal Property	$
	Add'l living expense (loss of use)	$
	Condominium Loss Assessment	$
SEC. 2	Personal liability (each occurrence)	$100,000
	Medical payments to others (each person)	$ 1,000

☐ Mtg. ☐ Loss payee ☐ Add'l insured

ZIP CODE — Loan Number

☐ 2nd mtg. ☐ Loss payee ☐ Add'l insured ☐ Svc. agt.

ZIP CODE — Loan Number

Jewelry & Furs ☐ $ 1,500 ☐ $ 2,500

Business Pursuits ☐ Yes

Send Renewal Bills To:
☐ Insured
☐ Mortgagee
☐ Servicing agent
☐ M.P.P. Account Number

Total premium $

Amount paid $

State Exceptions (COMPLETE BACK OF APP.) | California: Brush Area | Florida: Windstorm Underwriting Area | Maryland Sewer/Drain

Mo., Kan., Vt., Okla., only | Inflation Coverage? YES NO | New York only: YES NO

Agent's Code Stamp

Date and Time of application MO DAY YEAR

ATTACH PHOTOGRAPH

I understand that coverage is:
☐ Binding under this application
☐ Not binding under this application

I hereby apply for the insurance indicated and represent that I have

ACTIVITY 13

Multiple Choice:

1. ____ 2. ____ 3. ____ 4. ____ 5. ____
6. ____ 7. ____ 8. ____ 9. ____ 10. ____ 11. ____

ACTIVITY 14

1. ____ 2. ____ 3. ____

4. a. ____________________
b. ____________________
c. ____________________

5. ____ 6. ____ 7. ____
8. ____ 9. ____ 10. ____
11. ____

ACTIVITY 15

Phone Numbers and Company Names:

1) Company Name: ____________________
Phone: ____________

2) Company Name: ____________________
Phone: ____________

3) Company Name: ____________________
Phone: ____________

ACTIVITY 16

KIND OF COVERAGE	COMPANY #1	COMPANY #2	COMPANY #3
	Name:	Name:	Name:
Liability only Both Bodily Injury & Property Damage	Cost:	Cost:	Cost:
Liability (BI & PD) and Collision	Cost:	Cost:	Cost:
Liability (BI & PD), Collision, and Comprehensive	Cost:	Cost:	Cost:

TYPE OF CAR YOU CALLED ABOUT: ____________
YEAR OF CAR YOU CALLED ABOUT: ____________
YOUR AGE: ________

APPLICATION FOR AUTOMOBILE INSURANCE

VEH HOUSE HOLD	VEH STATE FARM	QUALIFYING POLICY NO	CLASS	REPLACES POLICY NO	Office Use

APPLICANT

NAME PLEASE PRINT	LAST NAME		FIRST NAME		MIDDLE NAME OR INITIAL	
MAILING ADDRESS	NUMBER AND STREET	CITY	STATE	ZIP CODE	HOME TELEPHONE NO	
RESIDENCE if other than Mailing Address	NUMBER AND STREET	CITY	STATE	ZIP CODE	COUNTY	TOWNSHIP
EXACT LOCATION of residence if no street number used			FORMER ADDRESS if in community less than 6 months			
OCCUPATION	EMPLOYER	YEARS WITH THIS EMPLOYER	ADDRESS OF EMPLOYMENT			

DURING THE PAST 5 YEARS, HAS THE APPLICANT OR ANY HOUSEHOLD MEMBER HAD AUTO INSURANCE CANCELLED, BEEN REFUSED ISSUANCE OR RENEWAL, OR RECEIVED NOTICE OF SUCH INTENT? Yes ☐ No ☐

IF YES, WAS IT WITHIN THE PAST YEAR? Yes ☐ No ☐

DURING THE PAST 5 YEARS, HAS THE APPLICANT ANY HOUSEHOLD MEMBER, OR ANY REGULAR DRIVER

a. Had license to drive or registration suspended, revoked or refused? Yes ☐ No ☐

b. Been the driver in any automobile accident or loss? Yes ☐ No ☐

c. Been convicted for forfeited bail for traffic violations? Yes ☐ No ☐

DOES THE APPLICANT OR ANY REGULAR DRIVER HAVE ANY 1. PHYSICAL LIMITATIONS OR 2. MENTAL DEFECTS? IF YES, EXPLAIN IN REMARKS Yes ☐ No ☐

MOST RECENT LIABILITY INSURER	COMPANY EXPLAIN IF NONE	POLICY NO	MONTH DAY YEAR FROM	MONTH DAY YEAR TO

DRIVERS

	LIST ALL DRIVERS	DRIVER'S LICENSE NO./STATE	BIRTHDATE MO. DAY YR.	LICENSED 3 YEARS YES	If No, Give Date Issued	OCCUPATION	SEX M	SEX F	RELATIONSHIP TO APPLICANT	MARITAL STATUS S	M	D	W	SP	% DRIVING VEH.
1	APPLICANT					APPLICANT			APPLICANT						
2															
3															
4															

VIOL. & ACC.

DRIVER NO	CHECK ✓ VIOL	CHECK ✓ ACC	NATURE OF VIOLATIONS OR DETAILS OF ACCIDENTS (Dates, damages, injuries or deaths, and how accident occurred)	CHARGEABLE NO	CHARGEABLE YES AMT. PAID

YEAR MAKE AND MODEL		BODY TYPE	CYLS	VEHICLE IDENTIFICATION NO			
NEW	(FOR MOTORCYCLES, MOTOR HOMES AND CUSTOMIZED VEH ONLY)	MOUNTED CAMPER COST NEW $	FOR HIGH PERFORMANCE VEH. AND MOTORCYCLES ONLY ENGINE DISPLACEMENT C.C. OR C.I.D.	HORSE POWER	EXISTING DAMAGE OR MODIFI.	NO	YES DESCRIBE
LIENHOLDER	MAILING ADDRESS						ZIP CODE

RATE

TERR NO.	DRIVEN TO AND FROM WORK/SCHOOL AVERAGE WEEKLY	ANNUAL MILEAGE	IN CITY YES	IN CITY NO	BUS. USE YES	BUS. USE NO	FARM RATE YES	FARM RATE NO	2 CAR RULE YES	2 CAR RULE NO	G.S. DISC YES	G.S. DISC NO	CHILD AT SCH YES	CHILD AT SCH NO	RATING GROUP	CLASS
			☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐		

COVERAGES

The insurance applied for is only for the coverages indicated by specific premium entry. If premium cannot be entered, check boxes to indicate coverage requested.

		MEMB	PREMIUM
BIPD LIMITS	/ /	A ☐	
MED. PAY LIMITS		C ☐ **	
COMPREHENSIVE	DEDUCTIBLE AMOUNT	D ☐	
COLLISION		E ☐	
DEDUCTIBLE COLLISION	AMOUNT	G ☐	
TOTAL BASE PREMIUM			
RATING FACTOR (%)			
BASE × FACTOR TOTAL			
EMERGENCY ROAD SERVICE		H ☐ **	
RENTAL REIMBURSEMENT	☐ ☐	R ☐	
UNINSURED MOTOR VEH.		U ☐ **	
AUTO DEATH INDEMNITY SPECIFIC DISABILITY	COMPLETE AD & DIS. T, Z SECTION	S ☐	
TOTAL DISABILITY		T ☐ **	
LOSS OF EARNINGS		Z ☐ **	
	☐ ☐	☐ **	
ENDORSEMENTS		TOTALS	
	REMITTANCE RECEIVED $	BALANCE DUE $	

AD & D (S, T, Z)

	FULL NAME OF PERSONS TO BE INSURED ONLY PERSONS IN APPLICANT'S HOUSEHOLD ARE ELIGIBLE	S-PRINCIPAL SUM AMOUNT	S-PRINCIPAL SUM PREM	T or Z	T OR Z PREMIUM	WEEKLY INDEM. AMOUNT COV. T ONLY

AS TO EACH PERSON NAMED FOR COVERAGE T

Is he in good health and engaged in a remunerative occupation? YES ☐ NO ☐

Is the sum of his weekly indemnity and all his personal accident insurance less than ⅘ of his average weekly earnings during the past 12 months? YES ☐ NO ☐

DATE AND TIME OF APPLICATION MO. DAY YR. ☐ AM ☐ PM	AGENT'S CODE STAMP
MUTUAL COMPANY POLICY BOOKLET DELIVERED TO APPLICANT DATE ______	

BINDER

EFFECTIVE DATE

☐ **AUTOMOBILE INSURANCE COMPANY** ☐ **FIRE AND CASUALTY COMPANY**

of Bloomington, Illinois, hereby binds as of the requested effective date for a period of 30 days from such date the Insurance applied for, subject to all of the terms and conditions of the automobile policy and applicable endorsements in current use by such Company. The issuance by the Company of the Declarations page of the policy applied for voids this binder.

AGENT'S SIGNATURE X ______

I hereby apply for the Insurance indicated and represent (1) I have read this application, (2) the statements hereon are correct, (3) I am the sole owner of the described vehicle except as otherwise stated, and (4) the limits and coverages were selected by me. **IT IS UNDERSTOOD AND AGREED THAT NO INSURANCE IS EFFECTIVE HEREUNDER (A) UNLESS THE BINDER IS COMPLETED DESIGNATING THE COMPANY ACCEPTING THIS APPLICATION AND SIGNED BY AN AUTHORIZED AGENT OF SUCH COMPANY OR (B) UNTIL THE DATE OF THE POLICY OR BINDER ISSUED BY THE COMPANY ACCEPTING THIS APPLICATION.**

APPLICANT'S SIGNATURE X ______

ACTIVITY 17

CLAIM REPORT

◆ INSURED (LAST)	(FIRST)	(MIDDLE INITIAL)	POL. NO. BASIC NO	ST. CODE	CHG. CODE	CAR N
ADDRESS (NUMBER AND STREET - CITY - STATE - ZIP CODE)				PHONE		
TIME AND PLACE OF ACCIDENT OR LOSS ◆ DATE	TIME	STREET OR HIGHWAY	CITY OR COUNTY	STATE		

VEH. 1 INSURED'S VEHICLE (YEAR - MAKE - MODEL SERIES - BODY STYLE)	PRIOR DAMAGE	NO	YES - DESCRIBE		
VIN	LICENSE NUMBER	IS THIS THE VEHICLE INVOLVED IN THIS ACCIDENT?	YES	NO	
DRIVER (LAST) (FIRST) (MIDDLE INITIAL)	OCCUPATION	AGE	PHONE		
ADDRESS (NUMBER AND STREET - CITY - STATE - ZIP CODE)	RELATIONSHIP TO INSURED				
UNDER WHOSE AUTHORITY WAS VEHICLE BEING DRIVEN?	WAS DRIVER ON MISSION FOR OWNER?	NO	YES - PURPOSE OF TRIP		
PRINCIPAL DAMAGE	DRIVE IN SERVICE?	NO	YES - OFFICE	WHERE IS VEHICLE?	

VEH. 2 OTHER VEHICLE (YEAR - MAKE - BODY STYLE)	LICENSE NUMBER				
OWNER (LAST) (FIRST)	ADDRESS (NUMBER AND STREET - CITY - STATE)	PHONE			
DRIVER (LAST) (FIRST)	AGE	ADDRESS (NUMBER AND STREET - CITY - STATE)	PHONE		
PRINCIPAL DAMAGE	DRIVE IN SERVICE?	NO	YES - OFFICE	WHERE IS VEHICLE?	
NAME OF INSURANCE COMPANY	ADDRESS	POLICY NUMBER			

FACTS OF ACCIDENT

DISTANCE (IN FEET) FROM OTHER CAR WHEN DANGER FIRST NOTED	SPEED LIMIT IN AREA OF ACCIDENT	SPEED WHEN DANGER FIRST NOTED	INSD. VEH.	OTHER VEH.	SPEED AT IMPACT	INSD. VEH.	OTHER VEH.	SIGNAL GIVEN	INSD. VEH.	OTHER VEH
ROAD CONDITIONS	HEADLIGHTS ON?	INSD. VEH. NO YES	OTHER VEH. NO YES	DEPRECIATION - ITEM	COST	AGE	MILEAGE OR CONDITION	AGREED DEDUCTION	COMPANY PORTION	
TRAFFIC CONTROL	NO	YES - TYPE	WERE POLICE THERE?	NO	YES	WHO RECEIVED TICKET?	VIOLATION			
INJURIES VEH. 1	NO	YES - IDENTIFY (NAME - ADDRESS - INJURIES)								
INJURIES VEH. 2	NO	YES - IDENTIFY (NAME - ADDRESS - INJURIES)								
WITNESSES	NO	YES - IDENTIFY (NAME - ADDRESS)								

THEFT	PARTIAL - NAME ITEM	ENTIRE VEHICLE	TIME	PLACE	LAW OFFICERS NOTIFIED	NO	YES - DATE	VEHICLE RECOVERED	NO	YES - DATE

I hereby declare that the facts stated in this report are true and accurate.

INSURED SIGN HERE X	DATE	DRIVER SIGN HERE X	DATE

COVERAGES IN FORCE	COVERAGES INVOLVED	DATE REPORTED TO AGENT	HAS AN SR 21 BEEN FILED, IF NECESSARY?	YES	NO - WHY NOT?
REPORTING AGENT	CODE NO.	PHONE	REPORT TAKEN BY	DATE	

CE-19: FRAUD/CONSUMER PROTECTION

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity Task/Packet, the adult learner will be able to recognize misleading and/or fraudulent products/service claims or tactics. The learner will also know the services and procedures available for consumer recourse.

INTRODUCTION:

This SAT Packet contains basic information about dishonest selling practices. Included are sections on refunds, warranties, and contracts. Consumer complaint procedures regarding unsatisfactory or fraudulent practices and consumer recourse are covered in the materials in the packet.

ADAPTABILITY:

This SAT Packet is adaptable for use with the following methods of instruction: individual, one-to-one tutorial, buddy system and group work.

Group work is strongly urged and can be beneficial to all students, especially those reading at Level I, Phase I. A resource person from a consumer protection agency could provide reliable information on individual rights, procedures for obtaining adjustments, fraudulent schemes to be aware of and the rights of the consumer.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase I and Phase II.

MATHEMATICAL SKILLS:

No special math skills are required for working in this packet.

PRE/POST TEST:

There is no Pre/Post Test. Student need and interest should indicate which students use this packet.

ADDTIONAL MATERIALS NEEDED:

Telephone book
Dictionary
Audio-Visuals — Refer to *Learning for Everyday Living*

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Obtains information
  - Makes inferences
  - Draws conclusions
  - Generalizes to similar situation
  - Derives personal relevance
- Writing
  - Writes a letter
  - Fills out forms
- Speaking, Listening, Viewing
  - Organizes information
  - Evaluates the content
- Problem Solving
  - Describes need
  - Examines constraints
  - Obtains information
  - Plans strategy
- Interpersonal Relations
  - Seeks and conveys information
  - Resolves conflicts

To the student . . .

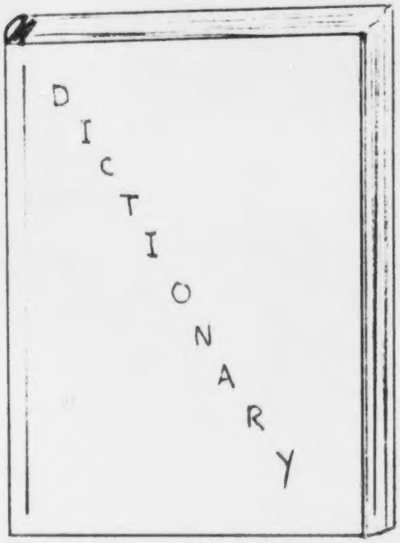
This SAT Packet includes information about problems you face everyday. You will read about some common consumer problems. You will find out about how to solve some of these problems. You will read about rip-offs and con games that affect each of us.

When you have finished the packet, you should have a better idea of the problems to watch for when you shop. You should also know what can be done if you are not treated fairly.

ACTIVITY 1

In order to complete this packet, you should be familiar with the meanings of some words. Look at the list below. Get a dictionary and look up each of the words. Write a short definition for each word in your Student Response Booklet.

1) consumer
2) fraud
3) receipt
4) advertisement
5) bargain
6) illegal
7) defective
8) complaint
9) merchant
10) merchandise
11) misrepresentation
12) manufacturer
13) protection
14) legal
15) arbitration
16) ethical



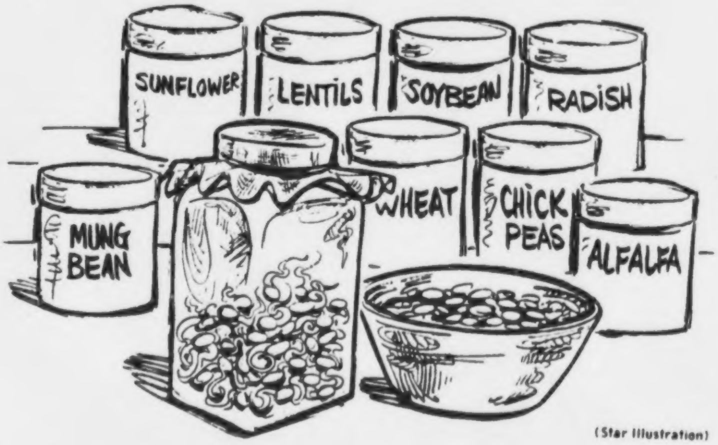
UNDERSTANDING CONSUMER FRAUD. Everyone should study about the many kinds of consumer fraud practices used by dishonest business places. The legal rights of consumers are important if they are understood and used. There are many different kinds of fraud. There are some warning signals for spotting frauds. If you know some of the signals, you will know how to better spend your money.

- the bargain that's just too good
- the stranger you can't find again
- someone who offers to help with your money problems
- the one who says you don't need a warranty
- someone you don't know who offers to "fix your basement"

These are just a few general signals. There are many others. For now let's look at how to watch your money by **wise shopping.**

SHOPPING FOR SPECIALS. Everyone tries to save money by shopping wisely. One way is to watch for "specials." You should do this with care and it can save you money. But if you are not careful, you could lose more than you could save, in both money and time.

Have you ever been to the grocery store to buy an advertised "special?" Was the item really in stock? Were you told that it was not available? Maybe you were told that there was a mistake in the ad — or that the item was sold out!! Maybe you couldn't find the item in the store!



(Star Illustration)

The Federal Trade Commission (FTC) is the federal agency that controls these kinds of practices. The FTC has ruled that stores ought to have advertised specials available during an advertised sale period. Most stores try to obey this ruling. It is possible that a store could misjudge the demand for an item and sell out. However, if this happens often, then it is no accident!

Rain checks are sometimes given if the item is not available. Rain checks are better than nothing, but you can't eat a rain check! If a store does this too often, complain. Complain to the clerk. Complain to the store manager. Complain to the store owner. Be sure to tell the FTC. The FTC cannot act on an individual complaint. However, if others are complaining about the same store, the FTC may see a pattern of questionable practices. The FTC may take further action in these cases.

A good salesman may try to persuade you to buy a higher quality item. He may try to talk you into an item with more features. There is nothing illegal about this as long as you are given a choice. If you are "baited" first by an advertised item that is not available, leave the store. You should be allowed to buy what you want. Don't be "switched" to something you don't want or can't afford.

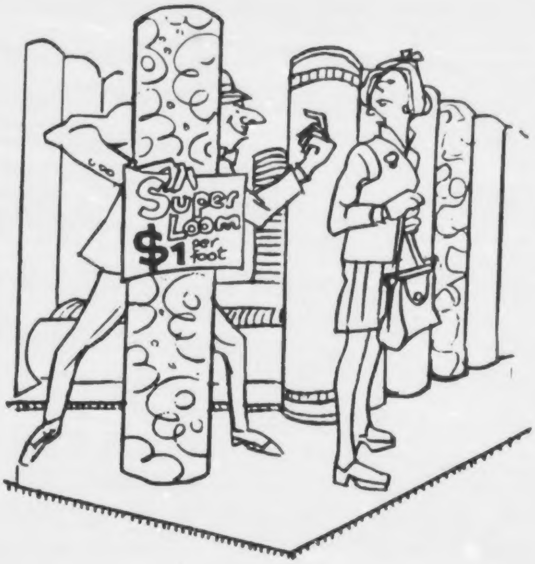
BAIT AND SWITCH

IF AN AD SEEMS TOO GOOD
TO BE TRUE - IT PROBABLY
IS!

BAIT AND SWITCH. Some stores advertise fantastic bargains just to get you into the store. When you get there, the store tries to sell you a more expensive item. This is called "bait and switch." The advertised item is not for sale. The salesman may give you reasons such as:

- Many customers who bought it are not satisfied . . .
- The product just isn't very good . . .
- You can't get delivery for 6 months . . .

The truth is the seller never had any intention of selling you the advertised special. He just wanted to get you into the store so he could "switch" you to the more expensive item. If a store tries to do this, leave immediately and report the incident to the Better Business Bureau.

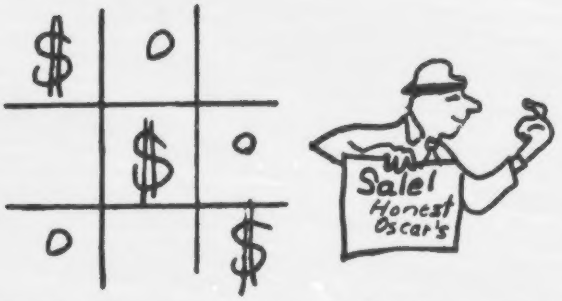


SCHEMES, CON-GAMES, RIP-OFFS. There are other kinds of schemes of which you should be aware. Some of the more common ones are listed here.

1) **Going Out of Business.** A shady merchant may advertise that his store is going out of business. He may advertise that he is selling out. Sometimes it is true. Other times it simply is used as a scheme to make you think you are buying at bargain prices.

LOST OUR LEASE!!
Everything MUST GO!!

2) **Magazines.** In this scheme someone comes to your door with a sad story about why he/she needs money. The person begs you to buy magazine subscriptions to help raise money. Check with the BBB before you buy. Some groups that sell door-to-door magazines and books are dishonest. At best you may be paying a much higher price than if ordered direct from the company.



3) **Packing.** This con-game is often used by car dealers. The dealer may compare his actual selling price to a manufacturer's list price. He will then say the price difference is a big savings for you.

4) **Prizes.** A prize is not really a prize if you must spend money to get it or make use of it. A discount or credit check "prize" may be a come-on to get you into the store.

Free prize with $20.00 purchase!

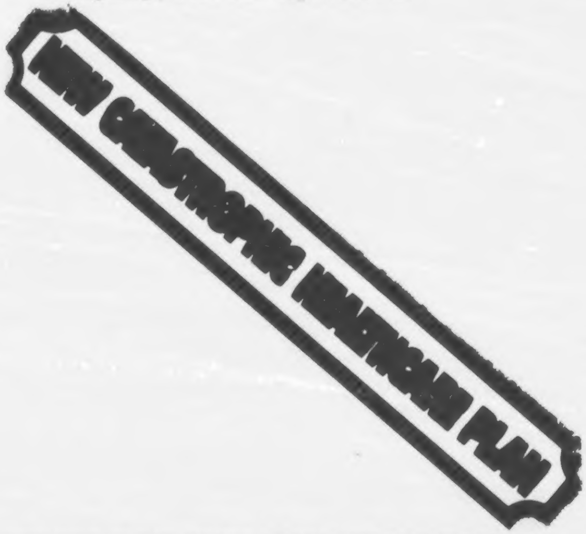
5) **Coupons.** The most common coupon scheme is the introductory offer. Coupons worth money toward the purchase price of sewing machines, tools, records and books may be given. They may not really be good for anything. The goods may be misrepresented.

FREE COUPON------FREE COUPON-----FREE COUPON

--FREE-- With this coupon and the purchase of a complete set of Premium Tools, you will receive absolutely free---one 4" screwdriver!!!! --FREE--

FREE COUPON -----FREE COUPON----FREE COUPON

6) **Bargain Insurance.** Health insurance advertising is sent through the mail in this scheme. It seems very cheap for the type of coverage which is offered. There is usually a catch. For example, you may have to be in the hospital at least 14 days before it starts to pay. This time period is much longer than the average hospital stay. Chances are you would not be able to use the insurance. It is always best to know the company, and its reputation.



HINTS FOR THE WISE SHOPPER:

- For major advertised items, call the store to check on their availability before you go.
- Watch for advertised specials. They may save you a lot of money.

- Take the ad with you when you go so both you and the clerk will agree what items are on sale at what prices.
- If you accept a rain check, have the merchant indicate the date he expects the merchandise to be in and make sure he notes that it is to be available to you then at the advertised price.
- Notify your local, county, or state consumer affairs office if you have a problem with any local merchant. This will help them to serve you and other consumers more effectively.

Remember . . .

- PLAN AHEAD!
  Think about what it is you really need and how much money you ought to pay for it.
- TAKE YOUR TIME!
  Don't be rushed or high-pressured into buying something you hadn't planned to buy.
- ASSERT YOURSELF!
  If you want the low-priced "bait," insist on the merchant's responsibility to sell it to you. If it's not available, find out why! Ask the merchant for a rain check.
- BEWARE!
  Most offers that appear to be too good to be true . . . usually are!

ACTIVITY 2

Now that you have read about some of the things you should watch for when you shop, let's see if you can recognize them. Match each item with the description on the right. Write the answers in your Student Response Booklet.

1) bait and switch	A) Offered by mail at a very low price, but it does not really cover what it is supposed to.
2) going out of business	B) Business says it is quitting business and selling out just to get you into the store.
3) prizes	C) Raising a selling price in order to offer some other discount.
4) list prices	D) Advertising a terrific bargain that they do not intend to sell. Used just to get you into the store so they can sell you something else.
5) bargain insurance	E) Winning something but having to pay a big price for additional things that go with the prize.
6) magazines	F) They sell these door-to-door and give you a sad story so you will buy them.
7) packing	G) A price given that is not the real price. Used to make you think you are getting a real bargain.

REFUNDS AND EXCHANGES. A store does not have to accept items for refund unless they were defective or misrepresented. Defective means that the item may be broken or parts missing. Misrepresentation means that an item is not what it was advertised to be. It does not do what it was designed to do.

REFUNDS AND EXCHANGES

Some stores have "no return" or "final sale" policies. The policy may be "all sales are final." A store has every right to do this. Many stores do this on items which are on sale, or used as floor models. They also do this for items that are to be worn or used by only one person such as: underwear, bathing suits, toothbrushes, combs, etc. This protects the customer. Stores must allow returns on defective or misrepresented items. This is a law in all states.

Many stores allow you to return items even if they were not defective or misrepresented. They are not forced by law to do so. It is done to give customers better service so the customer will want to shop in their store. A store usually uses one of the following three ways of handling returns:

1) EXCHANGE: You may return the item for another item of the same kind.
2) RETURN FOR CREDIT: You may apply the cost of the item toward a different item or items in the store.
3) REFUND: Your money is returned to you.

Everyone has made the mistake of buying the wrong size or color. You may buy a gift for someone which they wish to return. However, if you return things very often, you should start trying to make better decisions before you buy.

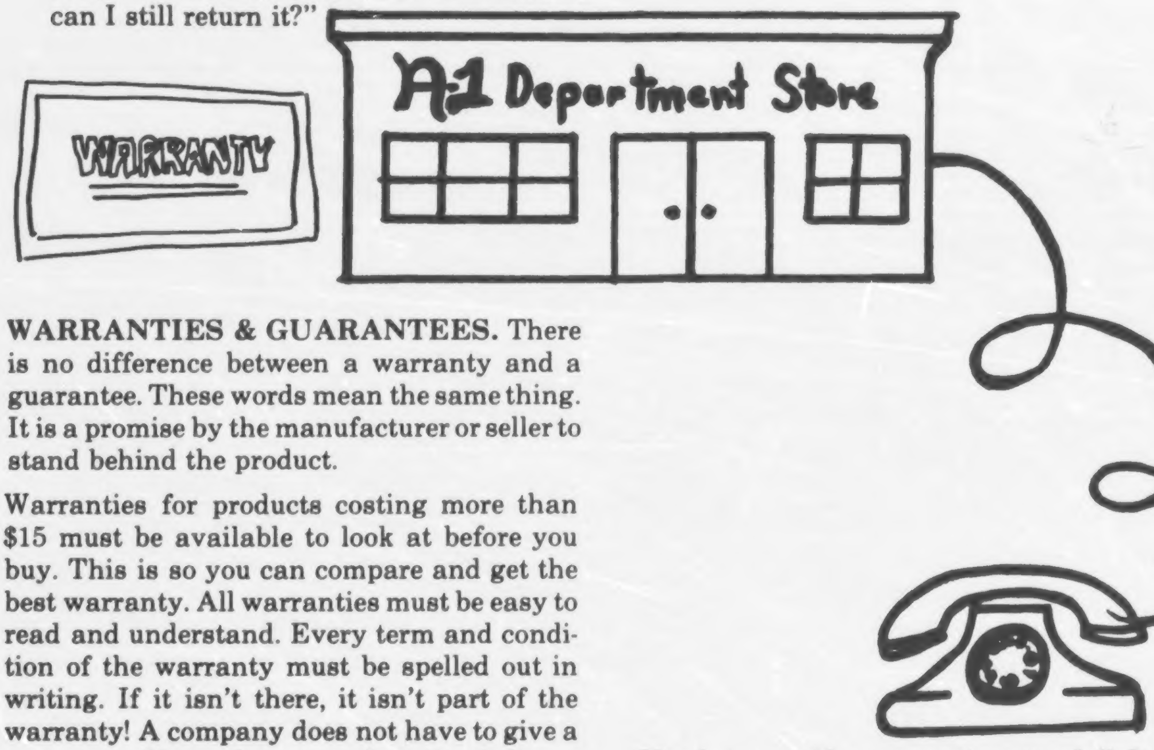
Returning items without a good reason increases the cost of all products in the store for all customers. Before making a purchase consider the following:

- What is the store policy covering returns?
- May I exchange the item for another like it?
- May I return the item and buy something else?
- Will the store refund my money?
- Is this a final sale item?

ACTIVITY 3

Choose a department store that you deal with frequently. Call the store and ask about their policy for returns. Write a short paragraph in your Student Response Booklet describing the policy of this store. Be sure to ask things like:

"Do I need a receipt to return an item?"
"Will I get my money back or must I pick out another item for the same price?"
"When things are on sale, can they be returned?"
"If there is nothing wrong with the item but the person I bought it for just doesn't like it, can I still return it?"



WARRANTIES & GUARANTEES. There is no difference between a warranty and a guarantee. These words mean the same thing. It is a promise by the manufacturer or seller to stand behind the product.

Warranties for products costing more than $15 must be available to look at before you buy. This is so you can compare and get the best warranty. All warranties must be easy to read and understand. Every term and condition of the warranty must be spelled out in writing. If it isn't there, it isn't part of the warranty! A company does not have to give a warranty. If you buy a product "as is," you will have to pay for any repairs.

You should beware of spoken explanations of a warranty. What a salesclerk says about a warranty doesn't count when it comes time for service. It must be written in the warranty.

There are two types of written warranties.

1) FULL
2) LIMITED

1) **Full Warranty.** The label *full* on a warranty means:

- A defective product will be fixed (or replaced) free, including removal and reinstallation if necessary.
- It will be fixed within a reasonable time after you complain.
- You will not have to do anything unreasonable to get warranty service. (Such as ship a piano to the factory.)
- The warranty is good for anyone who owns the product during the warranty period.
- If the product can't be fixed (or hasn't been after a reasonable number of tries), you get your choice of a new one or your money back.

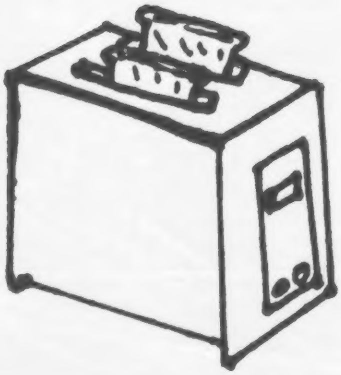
Check to see if a warranty says *full*. It is a quick way to know if you're getting a lot of protection.

A *full* warranty doesn't have to cover the whole product. It may cover only part of the product, like the picture tube of a TV set. You should always check to see which parts are covered by the warranty.

2) **Limited Warranty.** A warranty is *limited* if it gives you anything less than what a full warranty gives. *Limited* means — "be careful — something's missing." A product could carry more than one warranty. It could have a *full* warranty on part of the product and a *limited* warranty on the rest.

There are other types of warranties. They are called **Implied Warranties.** An implied warranty is not a stated or written warranty. They are warranties created by state law, not by the company or manufacturer. All states have them. Implied warranties come automatically with every sale.

1) **Implied Warranty of Mercantibility.** The product is supposed to do what the product is designed to do. For example, a toaster is supposed to toast, or a reclining chair is supposed to recline. If it doesn't you have a legal right to get your money back.



2) **Implied Warranty of Fitness for a Particular Purpose.** The product you buy must be fit for its specific purpose. For example, a sleeping bag warranty may say the sleeping bag is good for use in zero weather. You should be able to use it in zero degree weather without being cold.

Spoken promises and advertising claims can be warranties too. You have a legal right to get what the company promises. These kinds of warranties are covered only by state law. A spoken agreement is usually difficult to prove in court. It is best to have all warranties in writing.

ACTIVITY 4

Answer these true and false questions in your Student Response Booklet.

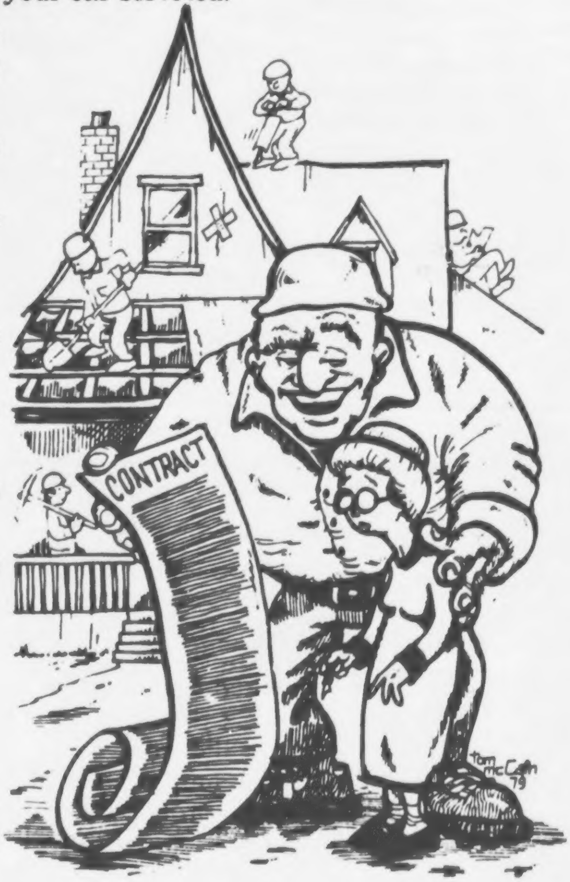
1) There is no difference between a warranty and a guarantee.
2) If you buy a product "as is" this means that you have no warranty.
3) Something a clerk tells you about a warranty will always stand up in court if there is a question about what the warranty covers.
4) The best kind of warranty to have is a *limited warranty.*
5) A *full warranty* may not cover the entire product.
6) A product could carry more than one warranty.
7) *Implied warranty* means that whatever the clerk tells you is part of the warranty even though it is not written down.
8) Spoken promises can be warranties too but they are very hard or impossible to prove in a court of law.
9) If you buy something that is supposed to be for a certain purpose, you have a right to expect that product to be fit for that purpose.
10) There is no way that a seller can get out of the *implied warranties.*

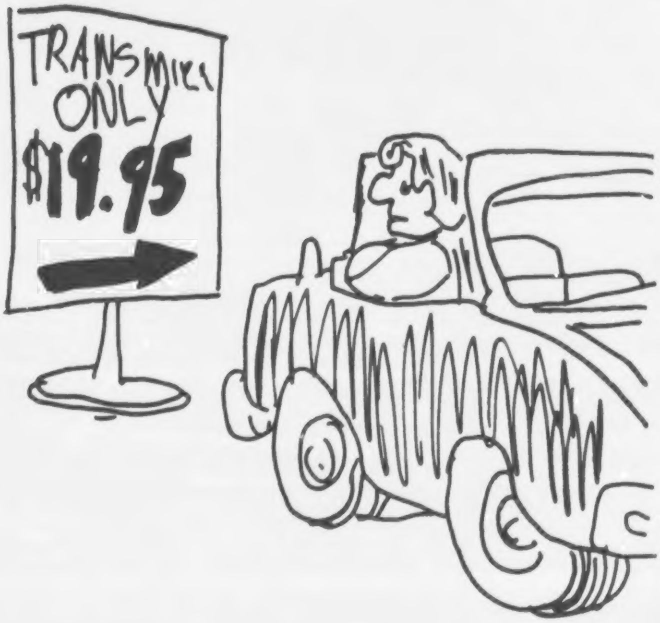
Check your answers with the Answer Key.

GETTING GOOD SERVICE. Getting good service is a big problem for consumers. Most service problems come from service on automobiles or home repairs.

CAR REPAIR. Follow these rules when you have your car serviced.

- If you don't know anything about the parts of the car, keep quiet about your lack of knowledge when you take it in for repair.
- If possible, stay with your car while it is being serviced.
- Ask that all work that is done be explained to you.
- Ask which new parts were installed if any.
- Try to get a guarantee in writing for the work done.
- Be sure any work covered by a warranty is taken off your bill.
- Ask if you may make a test drive before the bill is paid.
- Get a second opinion about what repairs are needed if it is possible.



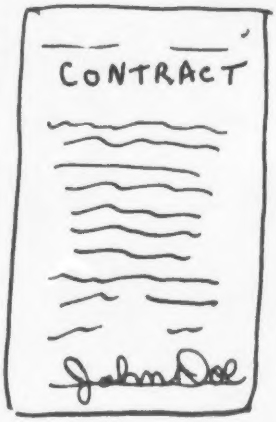


HOME REPAIRS. If you think you have been stuck with shoddy work or merchandise, you can do something about it. You can take legal action if:

- The company doesn't furnish the work properly as promised.
- You have any service complaints about the work that has been done or the product you bought.

Home repairs usually involve a lot of money. You should get legal advice immediately so that your rights can be protected. If you can't afford a lawyer, you may be eligible for free legal help from a legal services organization. Some problems must be solved in small claims courts.

CONTRACTS. When you sign an agreement to pay money for something, you are entering into a contract. A contract is a legal document. Sometimes it is very formal. It can also be handwritten on a plain sheet of paper. A contract describes the exact obligations of the signers to one another. A contract generally cannot be broken unless both parties agree.



There is no better way to protect yourself than to read and understand any contract **before** you sign. After signing, be sure to keep a copy of the agreement. Your copy of the contract is the only proof you have of the conditions of the agreement. A person's word is not always legally binding. To be safe, it should always be in writing. Never sign a blank contract. Signing a blank contract is like signing a blank check. It may tempt some sellers to fill in the terms of the contract to their advantage.

One of the best ways to be sure you will not be cheated is by dealing with a reputable dealer. Responsible businesses have an interest in maintaining good customer relationships by dealing openly and honestly. The other kind of operators should be reported to the Better Business Bureau.

LICENSED DEALER

ACTIVITY 5

Most people have had some kind of consumer problem. Think about some of the problems you have had or that you know about. Write a short paragraph describing the problem. Then write a paragraph about how the problem was solved. If it was not solved, write what you think could have been done about it. Write your solution in the Student Response Booklet. (For example, maybe just calling the Better Business Bureau might be a solution.)

COMPLAINTS. Sooner or later you will probably have some kind of consumer problem. The first thing you should do is complain! Getting angry is not enough. Complaints should be made in a certain way. Read the rules below for making a complaint.

Rule #1 Complain while the problem is still fresh in your mind.

Rule #2 Explain the problem clearly.

Rule #3 Be polite, but do not back down.

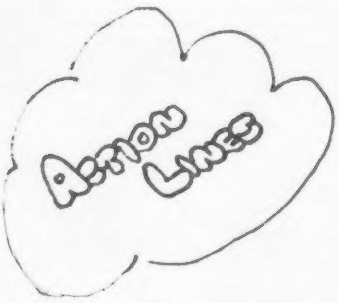
Rule #4 Have receipts, warranties or contracts with you and in order.

Rule #5 If you are offered some way to settle your complaint, listen carefully.

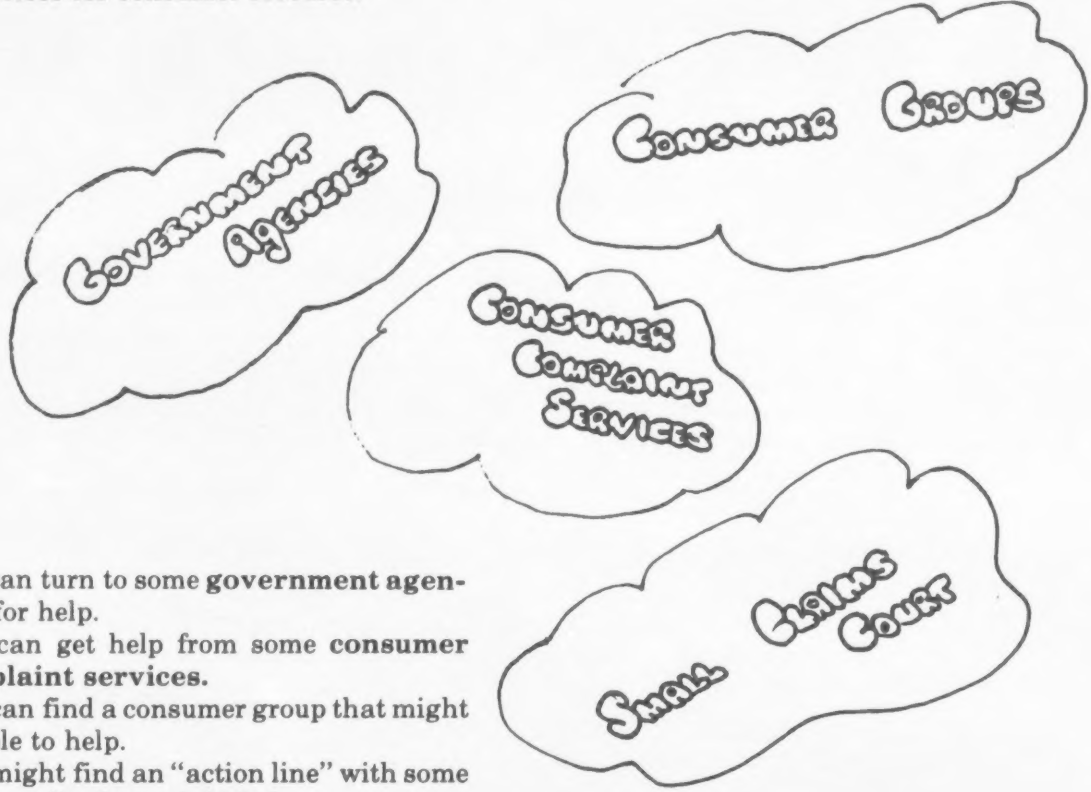
Rule #6 Be willing to compromise if necessary. This is especially important if you know that you may be partially at fault, or if you probably will get nothing if you don't accept the compromise.

Rule #7 First complain to the clerk. If the clerk can't help, talk to the manager. If he/she can't help, go to the next level of authority. Don't quit until your complaint is solved.

If you can't get your problem solved after taking these steps there are other things you can do.



CONSUMER RECOURSE. Let's look at some choices for consumer recourse.



1) You can turn to some **government agencies** for help.
2) You can get help from some **consumer complaint services.**
3) You can find a consumer group that might be able to help.
4) You might find an "action line" with some news media that might help.
5) You could go through **small claims court.**

GOVERNMENT AGENCIES. The Indiana State Attorney General's Office has services that handle consumer complaints. This office can either help you directly or refer you to someone who can. If you feel you have been the victim of fraud, you should contact your local district attorney's office. The power of a district attorney's office will vary. Some handle both civil and criminal cases. Others handle only criminal cases. Some concentrate on consumer complaints. Others deal mostly with major fraud. If you have a complaint or a problem that you feel involves fraud, you should contact them to find out what they can do to help.

attorney general

The **federal government** also offers an information center that can direct you to the proper agency for help. The centers are listed in phone directories under "U.S. Government." They also publish:

"Guide to Federal Consumer Services"

This booklet is available, free, from:

Consumer Information Center
Pueblo, Colorado 81009

ACTIVITY 6

Write to the Consumer Information Center, Pueblo, California, 81009 and request the *Guide to Federal Consumer Services*. There is space provided in your Student Response Booklet. However, if you really want to have the free book, use a separate sheet of paper and mail your letter.

ACTIVITY 7

Look under "Indiana State Offices" in the white pages of your phone book. (Use the blue pages if your phone book has them). See if you can find the address and phone number of the attorney general's office. Write the address and phone number in your Student Response Booklet.

BBB
BETTER
BUSINESS
BUREAU

CONSUMER COMPLAINT SERVICES. Probably the most widely known complaint service is the BBB (Better Business Bureau). The BBB was established by business leaders to keep a check on themselves.

They wanted to build the public's confidence in advertising and business in general. The BBB is financed by responsible business people who want to provide good products and services to the consumer.

Look at the list below. It lists some of the ways the BBB can help you:

HOW DOES THE BETTER BUSINESS BUREAU HELP ME?

Your BBB helps you both directly and indirectly. The Bureau helps you *directly* by:

1. Providing information about a company before you do business with it.
2. Helping to resolve a complaint you might have against a firm, including a final step of binding arbitration in most areas.
3. Providing you with good consumer information so you can make intelligent buying decisions.
4. Offering consumer arbitration to resolve disputes between buyer and seller.

In addition, the Bureau aids you by:

1. Fostering ethical advertising and selling practices.
2. Monitoring advertising and selling practices.
3. Alerting consumers to bad business and advertising practices when the business in question will not cooperate with the Bureau to eliminate the abuse.
4. Disseminating consumer information through newspapers, radio, television, and printed literature.
5. Providing speakers for schools, civic groups and business organizations.
6. Providing the media with public information materials on consumer subjects.
7. Providing information on charitable organizations.

The BBB does not give legal advice. It does not make collections of any kind or provide credit information. It will not pass judgment on the price charged for something or how long something should wear or last.

The BBB does not have any legal power. It can't force a business to cooperate. However, it does work closely with other state and federal agencies that can handle legal matters. Most business places are willing to cooperate with the BBB because they wish to avoid bad publicity and keep their reputation as a responsible business.

ACTIVITY 8

Look for the phone number of the BBB in your area. Write the number in your Student Response Booklet. The BBB can give you information about a business or company **before** you deal with that business. Think of a business or company that you may be dealing with in the future. If you can't think of one, look for one in the phone book that you know very little about. Call the BBB and ask about the reputation of this business or company. Tell them that you are thinking about dealing with the company and want to know more about their reputation for fair business practices. Write a short paragraph in your Student Response Booklet about what the BBB tells you.

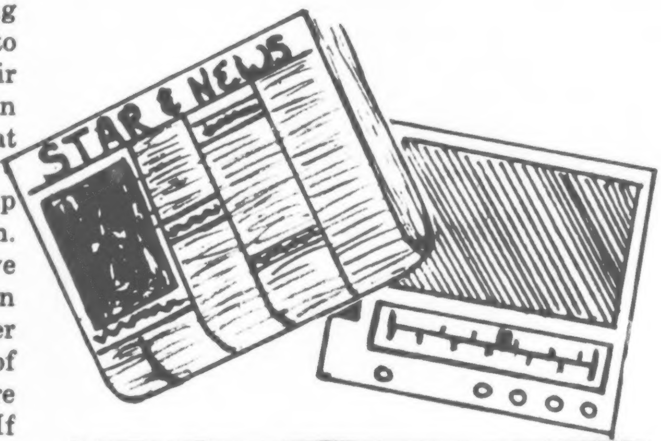
CONSUMER GROUPS. A consumer group may also help you with a consumer problem. These groups are made up of people who have consumer problems now or have had them in the past. The groups meet to help each other solve problems. They form committees of people who have similar problems. They are run by contributions and membership fees. If you go to one of these groups for help, you may be asked to pay a membership fee or to make a contribution. You might also be asked to serve on a committee to help solve the problems of others.

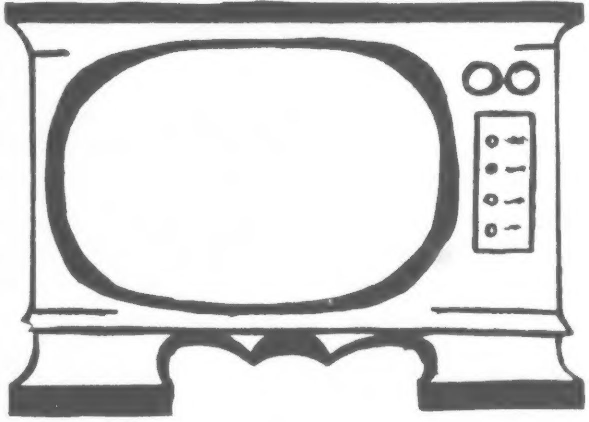
ACTIVITY 9

Use the numbers you have for the attorney general's office and the BBB. Call them again and tell them you would like to know if there are any consumer groups active in your area. If they give you names, addresses, or phone numbers, write these in your Student Response Booklet.

NEWS MEDIA "ACTION LINES." About half of the daily newspapers in the U.S. carry some sort of action line. There are also action lines on TV and on the radio. Some of these action lines specialize in one particular kind of problem. Sometimes an action line will respond to your problem. Other times you may be overlooked in the hundreds of complaints they receive. They can only write about or talk about a few problems daily. They choose the most important or most interesting ones.

An action line can sometimes help by bringing the name of the business or company to the attention of the public. The business will often try to cooperate in order to avoid bad publicity.





SMALL CLAIMS COURT. If all of the previously described services fail, you may decide to take legal action. Small Claims Court is a legal, but informal way to settle complaints. Look at the description below of *when* and *how* to use a Small Claims Court.

Using the Small Claims Court

There is an informal court in each county in Indiana where a person can sue on his(her) own for any amount less than $1500. An attorney is not required, although for complicated cases it is often a good idea. In Marion County, Indiana, there are 8 township divisions of the Marion County Small Claims Court. In other counties, the small claims court may be called the County Court, or it may be a part of the circuit or superior court.

Use the Small Claims Court WHEN

- You have paid for something which doesn't work or doesn't arrive and you can't get satisfaction or your money back.
- An employer doesn't pay you the wages you are owed.
- You can't get a security deposit or other deposit back when the goods haven't arrived.
- Your property is being illegally held by someone else (including your landlord. See page 4).
- You or your property have been injured
- You need to evict a tenant(as long as the rent payable isn't more than $500 a month)

HOW

1. You will need the $10 filing fee, which includes the mail charge. If you live in Marion County, to file a case you will need a $12 filing fee and another $5 for the constable to deliver the court papers to the person you are suing.
2. You may use any small claims court in the county where the transaction took place, or where the person you are suing lives.

NEW
COUNTY
COURTS

ACTIVITY 10

Use the phone book to find the address and number of the Small Claims Court in your county. This may be listed under the county or it may be under the township name. Write the address and phone number in your Student Response Booklet.

1) Call the number and ask them how much it would cost to file.
2) Write this amount in your Student Response Booklet.

ACTIVITY 11

Look at the sample complaint form in your Student Response Booklet.

1) Pretend you have a complaint. You can make up the problem and names yourself.
2) Fill in the complaint form as if you were filing it with the Attorney General's Office.

If you need help, ask your teacher for assistance.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS-19
FRAUD/CONSUMER PROTECTION

NAME ____

DATE ______________________

ACTIVITY 1

1) consumer ______________________________

2) fraud ______________________________

3) receipt ______________________________

4) advertisement ______________________________

5) bargain ______________________________

6) illegal ______________________________

7) defective ______________________________

8) complaint ______________________________

9) merchant ______________________________

10) merchandise ______________________________

11) misrepresentation ______________________________

12) manufacturer ______________________________

13) protection ______________________________

14) legal ______________________________

15) arbitration ______________________________

16) ethical ______________________________

ACTIVITY 2

Matching: Place the letter of the best description next to each item.

1) bait and switch
2) going out of business
3) prizes
4) list prices
5) bargain insurance
6) magazines
7) packing

A) Offered by mail at a very low price, but it does not really cover what it is supposed to.
B) Business says it is quitting business and selling out just to get you into the store.
C) Raising a selling price in order to offer some other discount.
D) Advertising a terrific bargain that they do not intend to sell. Used just to get you into the store so they can sell you something else.
E) Winning something but having to pay a big price for additional things that go with the prize.
F) They sell these door-to-door and give you a sad story so you will buy them.
G) A price given that is not the real price. Used to make you think you are getting a real bargain.

ACTIVITY 3

Write your short paragraph below:

____

____

____

____

ACTIVITY 4

True and False: Place "T" for true and "F" for false.

1. ________
2. ________
3. ________
4. ________
5. ________
6. ________
7. ________
8. ________
9. ________
10. ________
11. ________

ACTIVITY 5

The problem: ____

____

____

____

How it was solved: ____

____

____

____

____

ACTIVITY 6

Address: ____

____

Phone: ____

ACTIVITY 7

Write your letter below requesting your copy of the free booklet:

Date:

Dear Sir,

Sincerely,

**Write your letter on a separate sheet of paper if you intend to mail it and receive the free booklet.

ACTIVITY 8

Phone Number of BBB:

Write below about what the BBB tells you:

ACTIVITY 9

Write the names, addresses, or phone numbers of any active consumer groups in your area.

ACTIVITY 10

Address of Small Claims Court:

Phone Number:

Cost for filing:

ACTIVITY 11

CONSUMER COMPLAINT FORM

CONSUMER INFORMATION:

Name ______________________________ Area Code ______________
Address ________________________ Residence Phone ______________
______________________ Zip __________ Business Phone __________
County of Residence ______________

RESPONDENT INFORMATION: My complaint is against the following:

Name ______________________ Area Code ______________________
Address ____________________ Telephone ______________________
______________________ Zip ________ County of Operation ________
Type of business __________ Type of product or service __________
____________ Date of transaction ________ Name of sales-person
________________ How were you contacted? By telephone ________
Door-to-door __________; Mail order advertisement _____; Visited store or the sales location ______________; Briefly describe nature of complaint ______________________________________
____
____

Did you sign a contract? ___ When? __________ (Attach Copy) ________
Have you complained directly to the Respondent? ______ If so please describe ____
What relief are you seeking? ____________________________________
Have you filed a complaint with any local agencies, i.e., BBB, etc? ________ Please Describe ________________________________

Have you contacted a private attorney? If so, please indicate name, address, telephone number, date and if litigation has begun __________
____

How were you referred to this office? ___________________________

Please use the reverse of this form to describe IN DETAIL the events of this transaction which have resulted in this complaint being filed. If there is not sufficient space, please feel free to attach additional sheets of paper to complete your explanation. It will be very helpful if you would attach copies of any documents which you refer to or any other materials which describe or illustrate the product or service.

I hereby certify that I have read the information contained in this complaint including the reverse side of this form, and that all of the information which I have given is true and correct and complete to the best of my knowledge, information and belief. I authorize the Attorney General to use the information given in any manner which he deems necessary and/or proper.

______________________ ______________________________
DATE SIGNATURE

CE-19 FRAUD/CONSUMER PROTECTION
ANSWER KEY

ACTIVITY 2

1. D
2. B
3. E
4. G
5. A
6. F
7. C

ACTIVITY 4

1. T
2. T
3. F
4. F
5. T
6. T
7. F
8. T
9. T
10. T

CE-20: USE AND CONSERVATION OF RESOURCES

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/ Task Packet, the adult learner will be aware of an individual's rights and responsibilities regarding the consumption of world resources.

INTRODUCTION:

This packet should stimulate the student's interest in conserving world resources. The unit is divided into three sections. The student may choose to take one or more of the sections. This will depend upon interest/need. The three sections are:

Over-population
Natural Resources
Ecology

The student will read about overpopulation, natural resources, ecology, and conservation of the resources still available to man today. Provisions should be made to include group discussions on the implication of consumption and how humanity is affected today.

ADAPTABILITY:

This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy systems and group work.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase I and II. This is the only objective that has been written at two levels. This is to demonstrate how to re-write materials using the Highlight Reading Technique developed by Dr. Timothy Wells, Indiana Department of Public Instruction, Division of Adult & Community Education.

MATHEMATICAL SKILLS:

No special math skills are required in order to successfully complete this packet.

PRE/POST TEST:

There is no Pre/Post Test for this SAT Packet. The subject matter should be approached as a result of an expressed interest on the part of the student. The vocabulary exercises at the beginning of each of the three sections may be used as a Pre Test. An optional Post Test Activity is included in this packet.

SKILLS OBJECTIVES:

- Reading
  - Develops vocabulary
  - Identifies the main idea
  - Obtains information
  - Distinguishes between fact and opinion
  - Draws conclusions
  - Derives personal relevance
- Writing
  - Makes lists
  - Makes outlines
  - Writes letters
- Speaking, Listening, Viewing
  - Seeks and conveys information
  - Draws conclusions
  - Persuades
  - Derives personal relevance
- Problem Solving
  - Defines the situation
  - Obtains information
  - Examines constraints
  - Determines plan of action
- Interpersonal Relations
  - Explains self
  - Understands others' positions
  - Identifies and resolves conflicts

ADDITIONAL SUPPLEMENTAL MATERIALS:

PERIODICALS:

Environmental Education, (published quarterly by Dembar Educational Research Services, Inc., Box 1605, Madison, Wisconsin, 53701. Subscription $10 per year.

Family Planning Perspectives, published bimonthly by Planned Parenthood - World Population, Editorial Offices, 666 Fifth Avenue, New York, N.Y., 10019. Free on request. Useful to anyone concerned with the population problem.

Science, published weekly by the American Association for the Advancement of Science, 1515 Massachusetts Avenue N.W., Washington, D.C., 20036. $20 per year.

The Sierra Club Bulletin, published monthly by the Sierra Club, 1050 Mills Tower, San Francisco, California 94104. $5 per year. Excellent coverage of a wide range of environmental problems and citizen action. Beautiful photographs.

ENVIRONMENTAL ORGANIZATIONS:

The Conservation Foundation, 1717 Massachusetts Avenue N.W., Washington, D.C., 20036. Active in conservation, analyses of the ecological impact of foreign aid, and conservation education in the schools.

League of Women Voters of the United States, 1730 M Street N.W., Washington, D.C., 20036. An outstanding membership organization with local and state leagues working for political responsibility through an informed and active citizenry. Played a central role in bringing water pollution to the public's attention. Publications on political and environmental issues available.

National Audubon Society, 1130 Fifth Avenue, New York, N.Y., 10028. Operates 40 wildlife sanctuaries across the country and provides a wide variety of ecology education services. Publishes "Audubon" and "Audubon Field Notes."

To the student . . .

This packet has three parts. You may study one, or all. They all tell us about problems that we must face.

Over-population will affect each of us.
We will look at trying to save our **natural resources.**
We will study **ecology.**
We will learn how all life on earth affects other life.

Vocabulary exercises will help you. You will answer questions. Some have definite answers. Others are asked to get your ideas on these subjects.

391

CE-20
PART ONE
POPULATION

You will learn about population growth. Problems produced by too many people will be discussed.

This will help you to understand the effects of over-population. Make your own decision about the seriousness of the problem.

VOCABULARY WORDS

ZERO POPULATION GROWTH (ZPG):	Birth rate equals death rate.
GEOMETRIC GROWTH:	Growth by doubling.
AGE STRUCTURE:	Persons at each age level.
FAMILY PLANNING:	Planning to have the number of children you want.
NET BIRTH RATE:	Number of births.
NET DEATH RATE:	Number of deaths.
OVERPOPULATION:	Too many living things and not enough food and space.
POPULATION CRASH:	Deaths when a population goes beyond the ability of the environment to support.
POPULATION CONTROL:	Method used to try to change population growth.
POPULATION:	Organisms of the same kind.
ENVIRONMENT:	Things around you.
NET POPULATION INCREASE OR DECREASE:	Net birth rate minus net death rate.

VOCABULARY STUDY: (Population)

ACTIVITY 1
Match each word with the correct meaning.

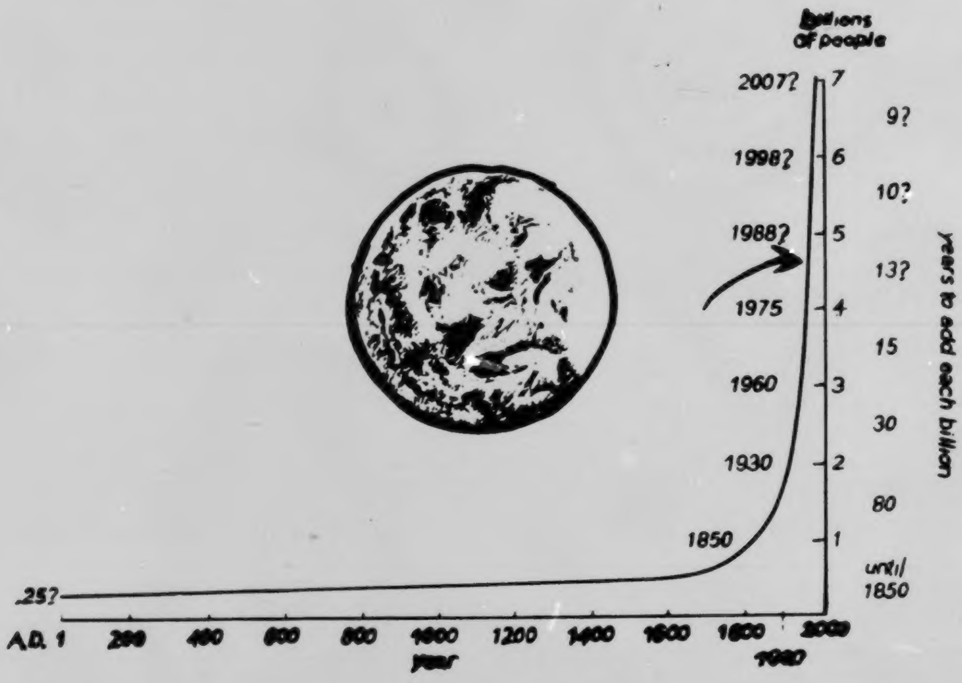
WORDS	MEANINGS
1) Zero Population Growth (ZPG)	A) persons at each age level
2) Geometric Growth	B) number of births
3) Age Structure	C) deaths when a population goes beyond the ability of the environment to support
4) Family Planning	D) organisms of the same kind
5) Net Birth Rate	E) birth rate equals death rate
6) Net Death Rate	F) growth by doubling
7) Overpopulation	G) planning the number of children you want
8) Population Crash	H) number of deaths
9) Population Control	I) method used to try to change population growth
10) Population	J) things around you
11) Environment	K) too many living things and not enough food
12) Net Population Increase or Decrease	L) net birth minus net death

THE POPULATION PROBLEM:

Do we have a problem? Have we always had one? Look at the chart below. It is taking less time to add another billion people.

TIME PERIOD	NUMBER OF PEOPLE IN POPULATION	TIME TAKEN TO ADD ONE BILLION PEOPLE
Beginning of man to 1850	One billion	Millions of years
1850 to 1930	Two billion	80 Years
1930 to 1960	Three billion	30 Years
1960 to 1975	Four billion	15 Years
The future: If growth continues in the same way:		
1975 to 1988	Five billion	13 Years
1988 to 1998	Six billion	10 Years
1998 to 2007	Seven billion	9 Years

The chart shows geometric growth. This is growth by doubling. The graph is a picture of this growth. This graph is a J-curve:



You can see that population is growing at a high rate.

—Look at how long it takes to replace persons lost by a disaster. Look at the table.

SOME PAST DISASTERS	NUMBER KILLED	TIME NEEDED TO REPLACE PERSONS
All Americans in all of our wars	600,000	3 days
U.S. Automobile deaths up through 1972	1,800,000	11 days
All wars in the past 500 years	35,000,000	6 months
Bubonic Plague	75,000,000	13 months

WORLD POPULATION IS INCREASING . . . 200,000 persons each day!

POPULATION GROWTH = BIRTH RATE - DEATH RATE

In some countries people are having fewer children. There are fewer deaths because of ways to fight disease. We have new ways to produce food. Many countries do not have as much knowledge about these things. We call these underprivileged countries. The United States adds 3 million persons each year to its population. This is less than other countries. Some people think we should worry about this growth. Do you feel this is true?

ACTIVITY 2

Write a short answer in the Student Response Booklet telling how you feel about this.

The U.S. has about 6% of the world's people. We use about 50% of the world's resources. We produce 50% of the pollution. Each new American we add takes more of the resources than a person born in another country. Do you think our country is adding to the problem?

ACTIVITY 3

Write a short answer in the Student Response Booklet about the U.S. and the use of our resources.

Americans find they can't afford a large number of children. Look at the chart below:

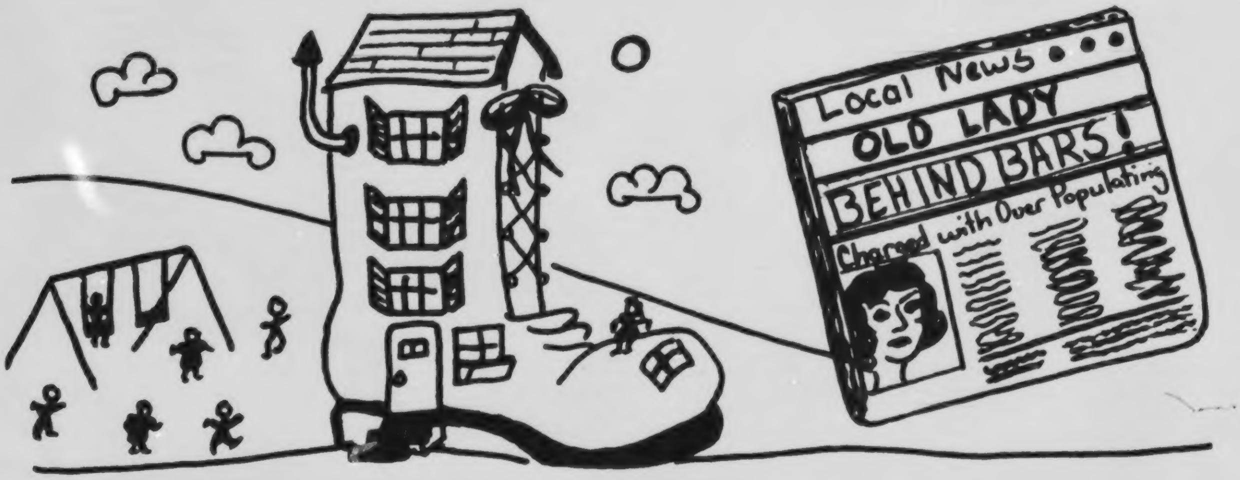
AVERAGE ANNUAL FAMILY INCOME	COST TO RAISE ONE CHILD TO AGE 18
$ 4,000	$ 10,000
$ 8,000	$ 20,000
$ 10,000	$ 30,000
$ 16,000	$ 40,000
$ 20,000	$ 50,000

WHAT CAN BE DONE?

Many countries control population. Countries use forced control. People lose their right to have children. What we do will affect the future. Without control there may be a population crash. This means that millions of people would die. It is hard to know what should be done. What do you think about it?

ACTIVITY 4

Should laws control population? Write your answer in the Student Response Booklet.



ACTIVITY 5

Read these questions. Find the page in your Student Response Booklet that matches this page. Draw a circle around the right answer.

1) Population grows by doubling. This is
   - a. planned growth.
   - b. geometric growth.
   - c. exponential growth.
2) Each new American will
   - a. use less world's resources.
   - b. use more world's resources.
   - c. add less pollution.
3) Over-population will affect
   - a. only underdeveloped countries.
   - b. only countries with more technology.
   - c. everyone.
4) The main idea is that over-population
   - a. is a major problem for everyone.
   - b. will not affect you. Don't worry about it.
   - c. problems are only in underdeveloped countries.

ACTIVITY 6

Write the answers to these questions in your Student Response Booklet. Mark the answers true or false.

1) There is only one way to control population.
2) Everyone agrees that population growth is a problem in the United States.
3) It took millions of years to get the first one billion people on the earth.
4) It took only 9 years to add the latest billion people to the earth's population.
5) Population growth will affect our supply of natural resources.
6) Population growth does not affect pollution.
7) The earth can take care of as many people as we want to put on it.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20

(Level I Part 1)

NAME ______________________________

DATE ________________

VOCABULARY STUDY: (Population)

ACTIVITY 1

Match each word with the correct meaning.

WORDS	MEANINGS
1) Zero Population Growth (ZPG)	A) persons at each age level
2) Geometric Growth	B) number of births
3) Age Structure	C) deaths when a population goes beyond the ability of the environment to support
4) Family Planning	D) organisms of the same kind
5) Net Birth Rate	E) birth rate equals death rate
6) Net Death Rate	F) growth by doubling
7) Overpopulation	G) planning the number of children you want
8) Population Crash	H) number of deaths
9) Population Control	I) method used to try to change population growth
10) Population	J) things around you
11) Environment	K) too many living things and not enough food
12) Net Population Increase or Decrease	L) net birth minus net death

ACTIVITY 2

How do you feel about this?

ACTIVITY 3

ACTIVITY 4

Should laws control population?

ACTIVITY 5

Read these questions. Draw a circle around the right answer.

1) Population grows by doubling. This is

   a. planned growth.
   b. geometric growth.
   c. exponential growth.

2) Each new American will

a. use less world's resources.
b. use more world's resources.
c. add less pollution.

3) Over-population will affect

a. only underdeveloped countries.
b. only countries with more technology.
c. everyone.

4) The main idea is that over-population

a. is a major problem for everyone.
b. will not affect you. Don't worry about it.
c. problems are only in underdeveloped countries.

ACTIVITY 6

Mark the answers "T" for true and "F" for false.

1. T F
2. T F
3. T F
4. T F
5. T F
6. T F
7. T F

ANSWER KEY

VOCABULARY STUDY: (Population)

ACTIVITY 1

Match each word with the correct meaning.

WORDS	MEANINGS
1) Zero Population Growth (ZPG)	A) persons at each age level
2) Geometric Growth	B) number of births
3) Age Structure	C) deaths when a population goes beyond the ability of the environment to support
4) Family Planning	D) organisms of the same kind
5) Net Birth Rate	E) birth rate equals death rate
6) Net Death Rate	F) growth by doubling
7) Overpopulation	G) planning the number of children you want
8) Population Crash	H) number of deaths
9) Population Control	I) method used to try to change population growth
10) Population	J) things around you
11) Environment	K) too many living things and not enough food
12) Net Population Increase or Decrease	L) net birth minus net death

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Answers will vary.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

1. B
2. B
3. C
4. A

ACTIVITY 6

1. False
2. False
3. True
4. True
5. True
6. False
7. False

400

CE-20
PART 2
NATURAL RESOURCES

To the Student . . .

Natural resources are materials such as coal, water and oil. You will learn some of the ways they are used by man. You will learn about the energy crisis. You will study what has happened in the past. Also, at what may happen in the future. You will learn some of the ways you can help conserve.

NATURAL RESOURCES

STUDY THESE WORD MEANINGS

Renewable Resources	Resources that can be reproduced in a short time.
Ecosphere	The air, water, and land in which all life is found.
Non-Renewable Resources	Resources that cannot be replaced.
Hydrologic Cycle	The cycle of water through the ecosphere.
Meltdown	What would happen if the cooling system of a nuclear reactor would fail.
Fixed Resource	The amount we have of the resource will never change.
Desalination	The process of taking salt out of sea water.
Energy Crisis	Our low supply of fossil fuel causing us to depend upon other countries and to search for new sources of energy.
Recycling	The process of using resources over again.
Technology	The methods used to provide objects for man's use.
Urbanization	The building of cities.
Natural Resources	Materials such as coal, water, and oil that are available for use by man.

VOCABULARY STUDY

NATURAL RESOURCES

ACTIVITY 1

Find the page in your Student Response Booklet that looks like this. Draw a line to the right answer.

Renewable Resources	Materials such as coal, water, and oil that are available for use by man.
Ecosphere	Methods used to get objects for man's use.
Non-Renewable Resources	Resources that can be replaced in a short time.
Hydrologic Cycle	The building of cities.
Meltdown	Resources that cannot be replaced.
Fixed Resource	The process of taking salt out of sea water.
Desalination	The cycle of water.
Energy Crisis	The amount we have of these resources will never change.
Recycling	Air, water, and land.
Technology	Using resources over again.
Urbanization	Our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy.
Natural Resources	What would happen if the cooling system of a nuclear reactor would fail.

THE EARTH

The earth contains two types of materials:

1) resources
2) other materials

Some materials are of no use to man. Some are too costly. To be of use a resource must:

1) be of use to man
2) not cost too much to get

Natural resources are those we can get from the earth or air. Renewable resources can be replaced in a short time. **Non-renewable** resources can't be replaced.

ACTIVITY 2

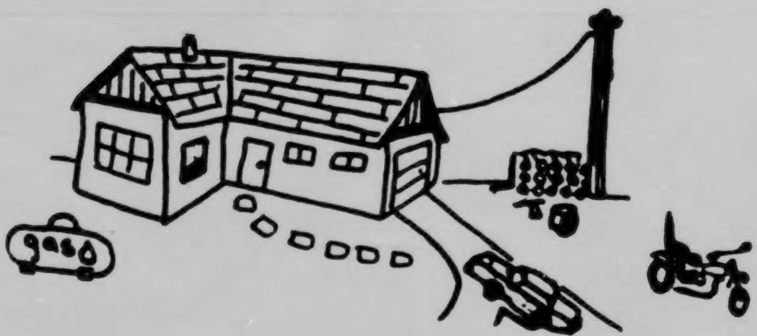
Look at this list of natural resources. Find the page in the Student Response Booklet that looks like this. Check the resources that you think are important.

Renewable	**Non-Renewable**
Land	Coal
Air	Oil
Water	Iron
Food (Crops and Animals)	Aluminum
	Tin
	Copper

THE KINDS OF RESOURCES

Man first used only land, air, and water. Today we use many kinds of resources. We have been able to find and use many materials. We have better technology. This has made many things possible. Think about the ways man used the earth's resources. We will look at resources in 4 areas:

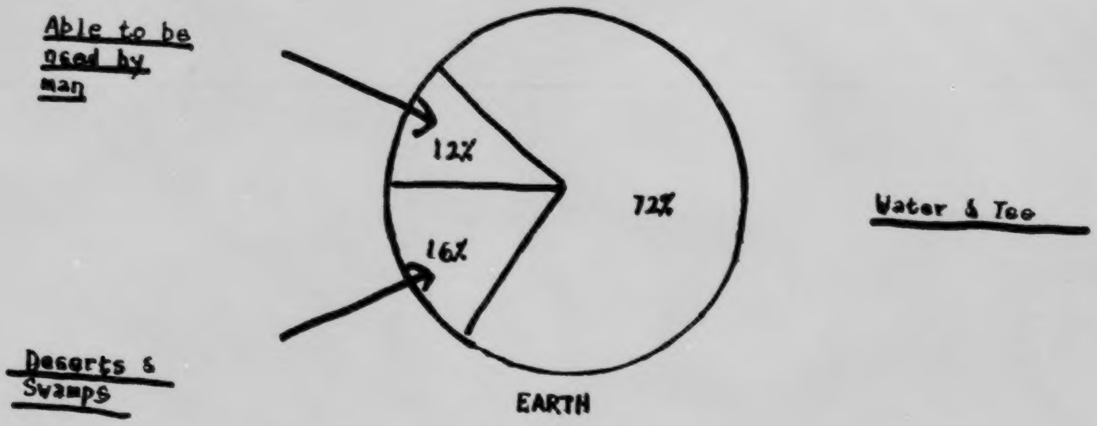
1) land resources
2) water resources
3) metal & mineral resources
4) energy resources



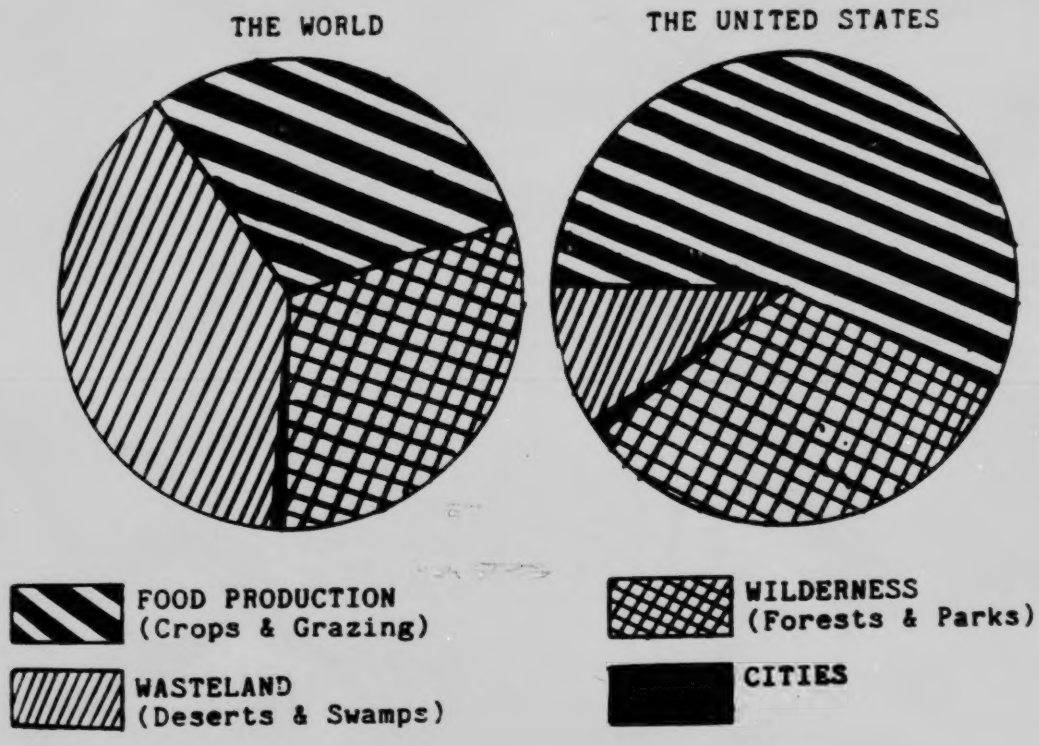
LAND RESOURCES. Land is used by man in 3 main ways:

- *food production (crops and grazing)*
- cities (includes industry, homes, places of business, and roads)
- forests and parks

Each is important to man. The earth's surface is being used by 12% of the people. We must use this in the best way. We must also find ways to use the other 88%. What do you feel is the most important use for land? How could we make good use of the other 88%?

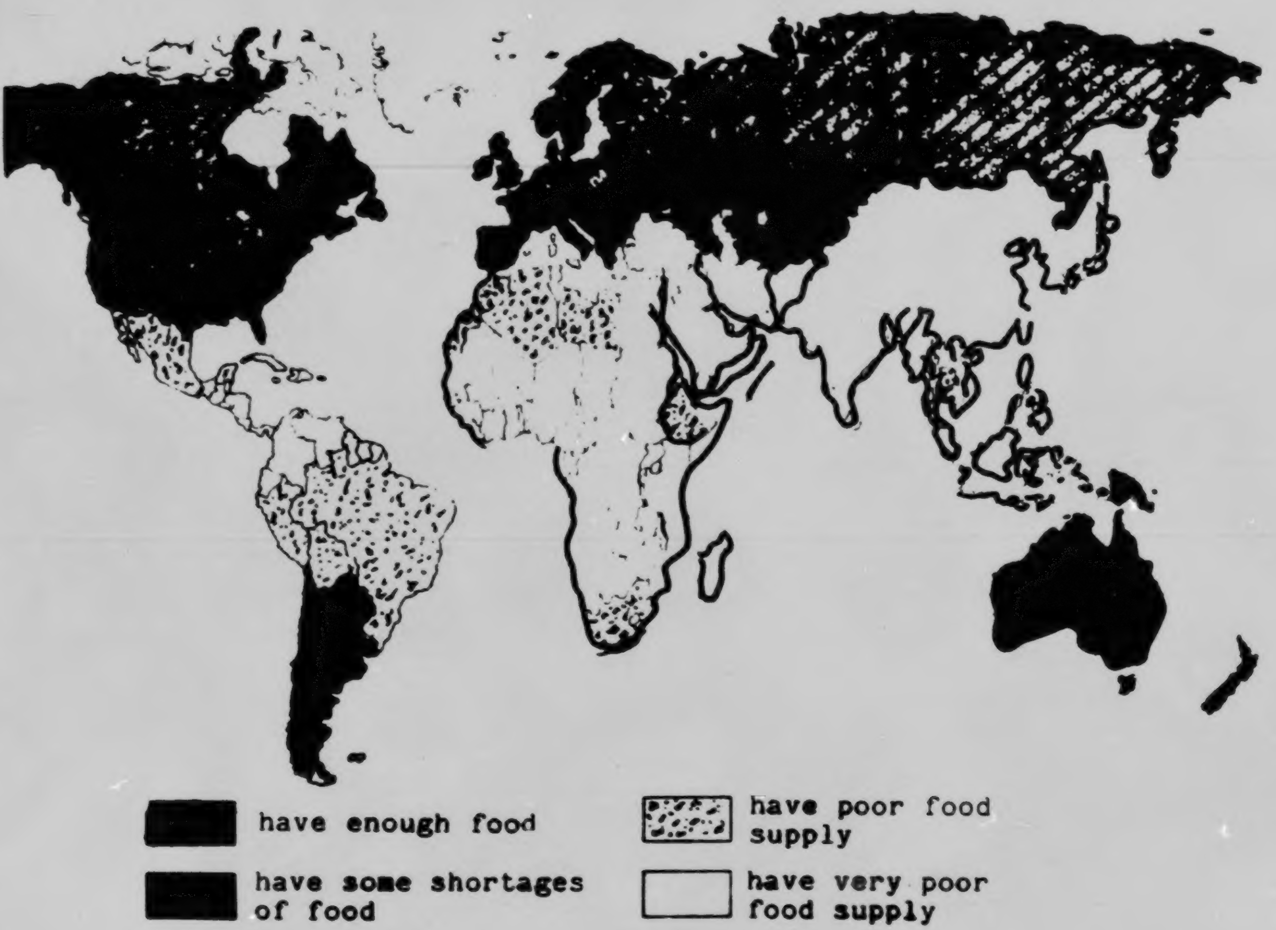


Man's important use of land is to produce food. A large part of the world does not have enough food.



Millions of people die each year from lack of food or poor diets. We are feeding more people than we ever have. Still there are more hungry people. The amount of land will not increase much. Our population is increasing quickly. How could this get worse?

Cities. The building of cities is called urbanization. People buy their food at a store. When a city grows, there is less land for other uses. It could be said that cities create problems. Do you think so?


■ have enough food
■ have some shortages of food
▨ have poor food supply
☐ have very poor food supply

Wilderness. Land has 2 main uses to man:

- leisure activities
- timber

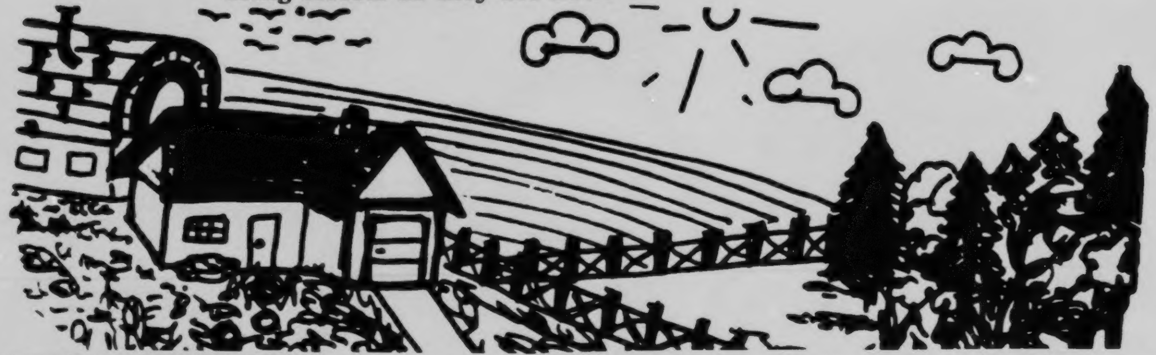
Parks and forests shelter wildlife.

Timber is heavily used. One third of land is forests. Forests are renewable. Land for forests is important to man.

ACTIVITY 3

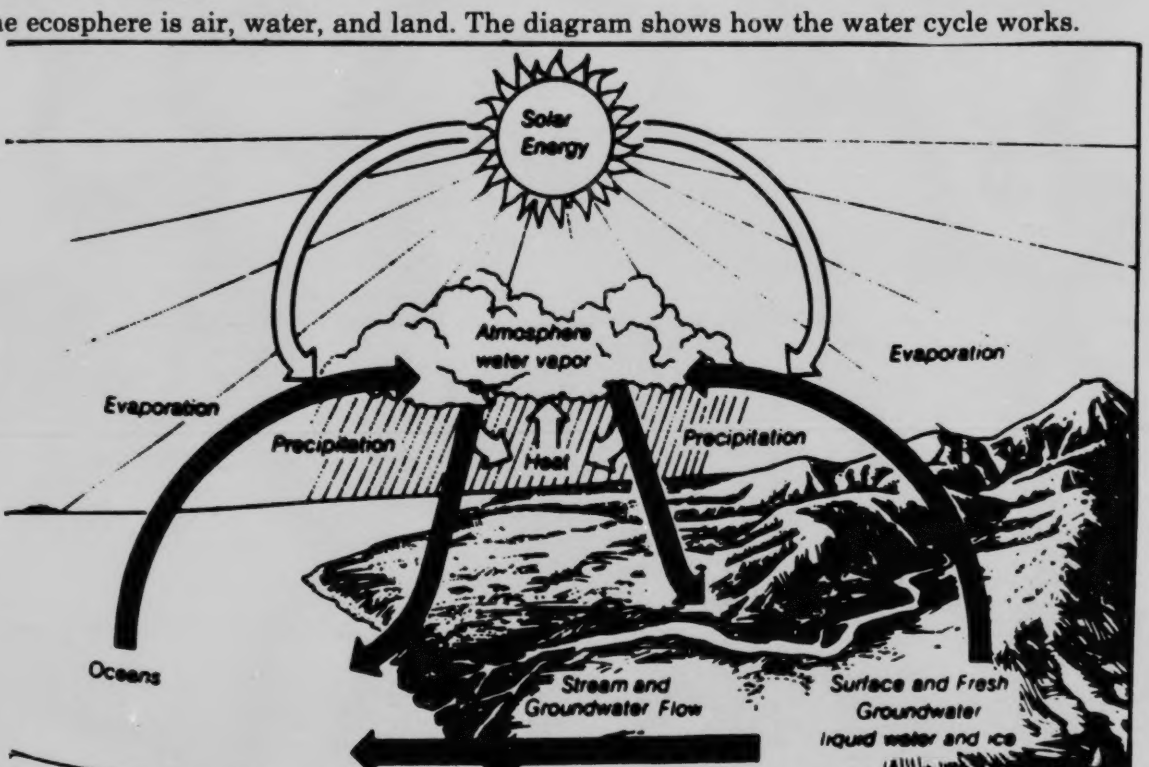
Write the answers to the questions in the Student Response Booklet.

1) List some things you use that are made from trees.
2) Which is the most important?
    - — using forests for farming?
    - — using forests as they are now?



WATER RESOURCES. Water is our most important resource. Water is renewable. The amount will never change.

The ecosphere is air, water, and land. The diagram shows how the water cycle works.


Solar Energy
Atmosphere water vapor
Evaporation
Evaporation
Precipitation
Heat
Precipitation
Oceans
Stream and Groundwater Flow
Surface and Fresh Groundwater liquid water and ice

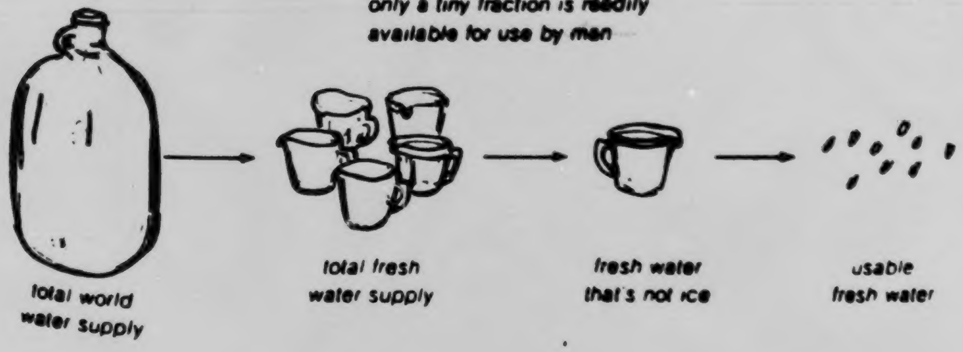
Living things contain water. Water is replaced through the water cycle.

We have a water shortage.

1) Little of our water is in a form that can be used.
2) Fresh water is not always where it is needed.
3) Some of our water is polluted.

100 % (All water on earth)
- 97.2 % (Salty water in the oceans)
2.8 % (Water left)
- 2.48 % (Water in ice caps and glaciers)
.32 % (Water left)
- .317% (Either located where there are no people or polluted and cannot be used)
.003% = Amount left that can be used by man.

Look at the pictures. They may help you.


total world water supply
total fresh water supply
fresh water that's not ice
usable fresh water

Our planet has a vast, fixed supply of water but only a tiny fraction is readily available for use by man

We use a lot of water. People in some countries use only 12 gallons per day. The difference is our life style.

Our population is growing. Many countries are facing water shortages.

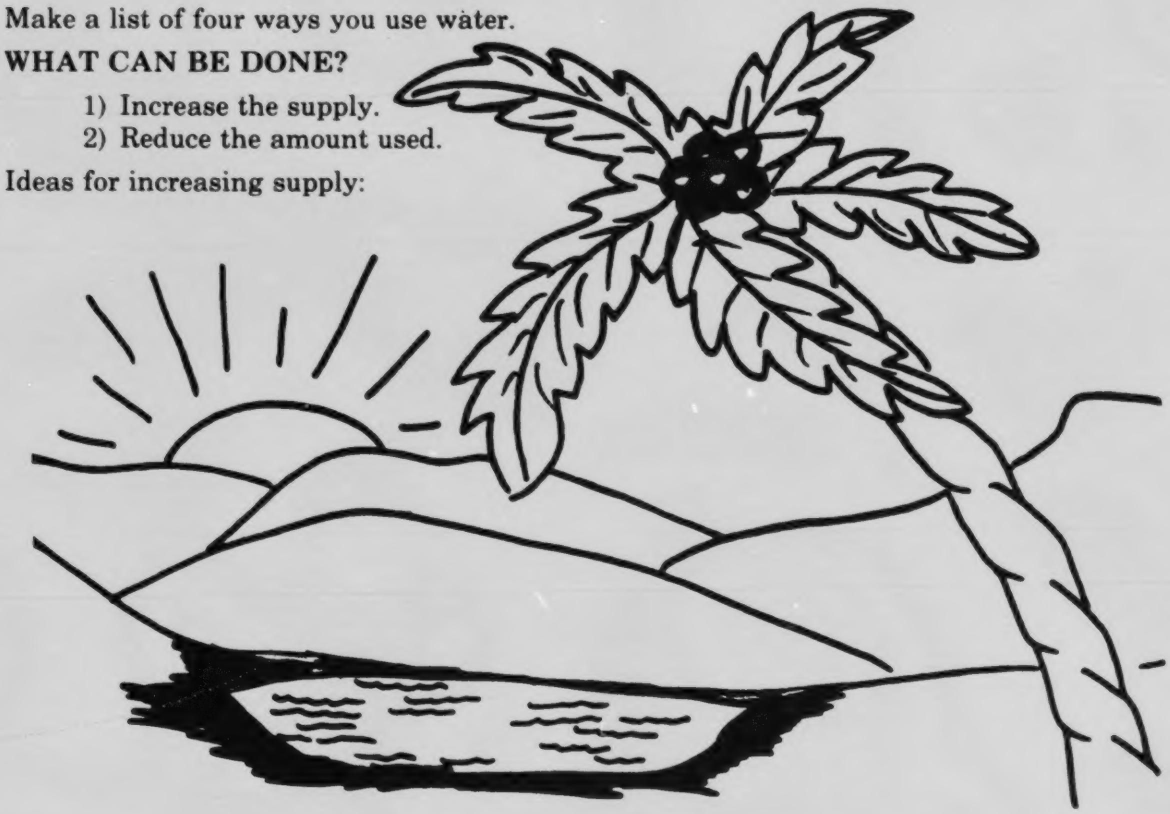
ACTIVITY 4

Make a list of four ways you use water.

WHAT CAN BE DONE?

1) Increase the supply.
2) Reduce the amount used.

Ideas for increasing supply:



1) **Desalination:** This is taking the salt out of sea water.
2) **Towing Icebergs:** Icebergs are made of fresh water.
3) **Conservation:**

You can conserve water. Read the list.

Bathroom

Check your toilet tank for leaks.
Cut down on the number of flushes.
Turn water off when not in use in bathroom sink.
Use less water for shower or bath.

Cooking

Use a lid on pots.
Use little water when cooking.

Washing dishes

Soak dishes.
Use low-sudsing detergents. You won't need to rinse dishes as long.
Run the dishwasher when you have a full load.

Laundry

Limit water to fit the wash load.
Soft water requires less detergent and rinse water.

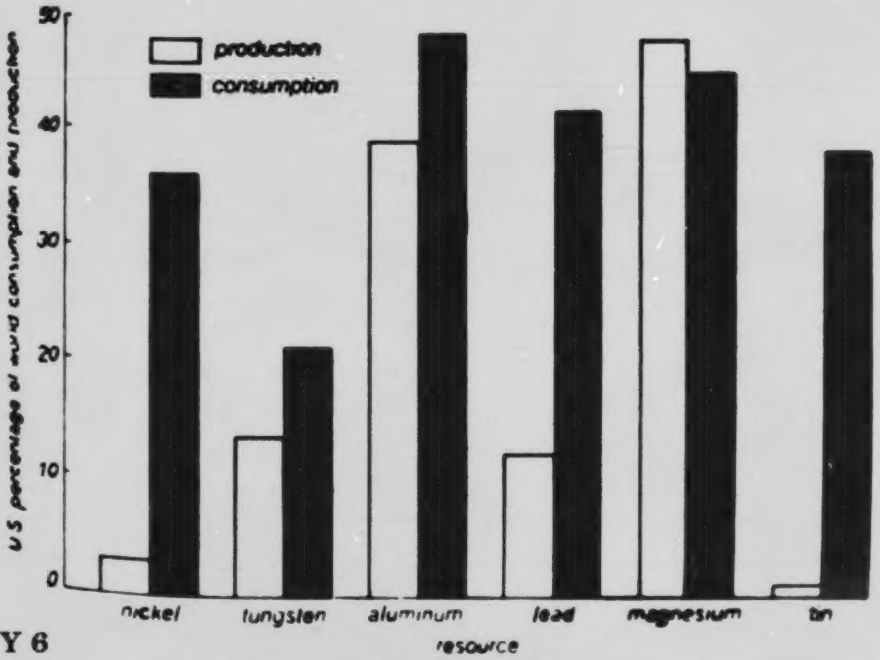
ACTIVITY 5 "Fact or Opinion"

Mark "F" if the statement is a **fact.** Mark "O" if the statement is an opinion. Write all your answers in your Student Response Booklet.

1. Water is a renewable resource.
2. Water is an important resource.
3. Water can be re-used.
4. Personal conservation is the best way to stop water shortages.
5. 97.2% of the water on earth is salt water.
6. Icebergs can supply us with fresh water.
7. Industry and agriculture use a lot of water to provide us with items we don't really need.
8. Water is necessary to survive.
9. You should not sprinkle your lawn because grass is not a necessity.

Check your answers with the Answer Key in the back of this unit.

METAL & MINERAL RESOURCES: Metals and minerals are non-renewable resources. They can't be replaced. Look at the graph. It shows some minerals the U.S. uses and some metals we produce.



ACTIVITY 6

Why do you think we use so many metals and minerals? Write your response in your Student Response Booklet.

When one of these becomes scarce, the cost of mining it will go up. The cost to you and me will also go up.

Resources are bought by the U.S. from other countries. This makes us dependent upon other countries.

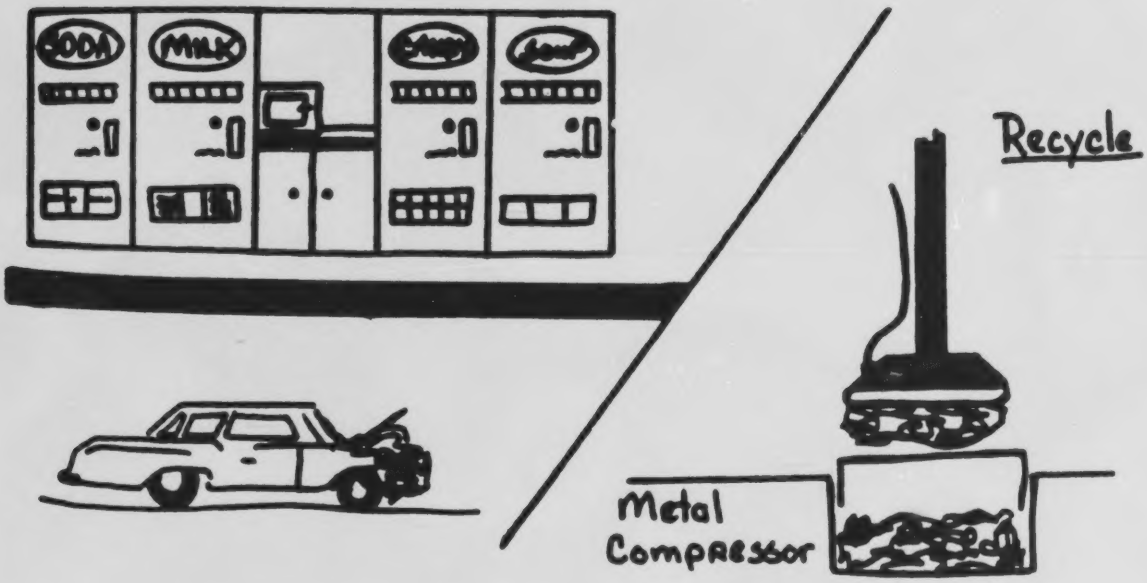
Metals and minerals are non-renewable. There is a way to use them again. This is **recycling.**

Barriers to recycling:

1) Attitude of the people
2) Transporting and sorting wastes.

What You Can Do

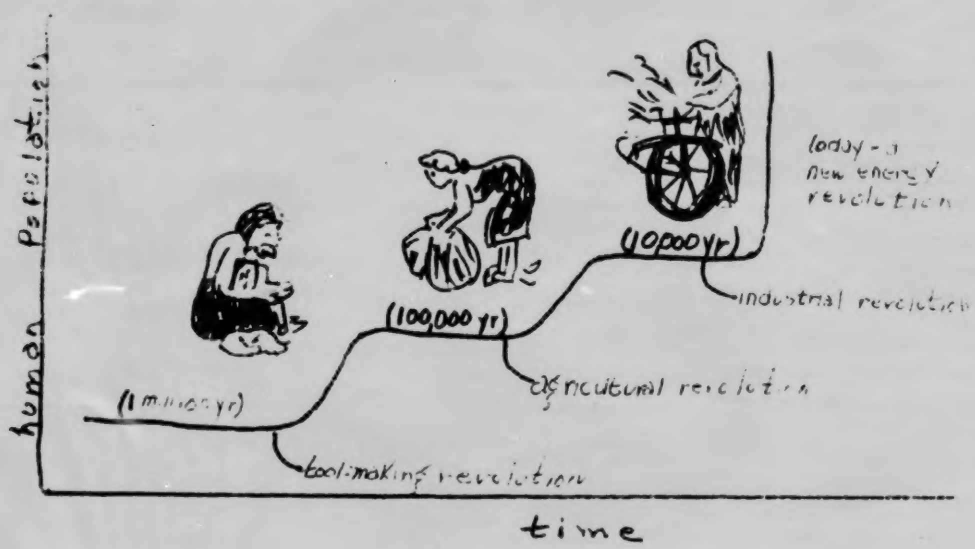
1) Buy products made from recycled materials.
2) Encourage others to buy recycled materials.
3) Start recycling projects.
4) Take items to recycling centers.
5) Assist in closing dumps.
6) Let your government know you are concerned.

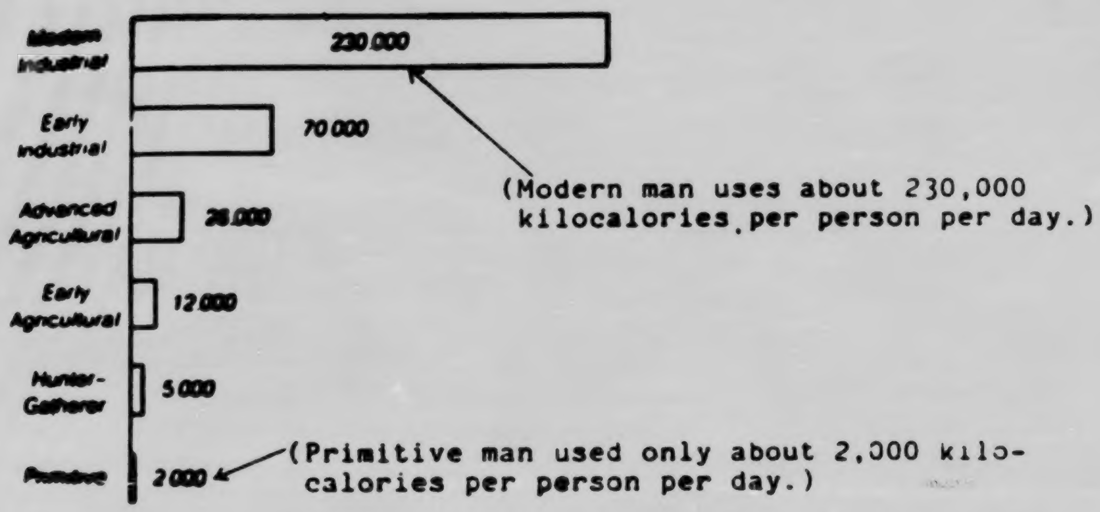

SODA
MILK
Recycle
Metal Compressor

ACTIVITY 7

You will need the Yellow Pages of the telephone book. Look under "Waste Paper and Scrap Metal." Find a place that recycles paper or metal. Write the name and address in your Student Response Booklet.

ENERGY: Why do we try to save energy? Look at the two graphs.





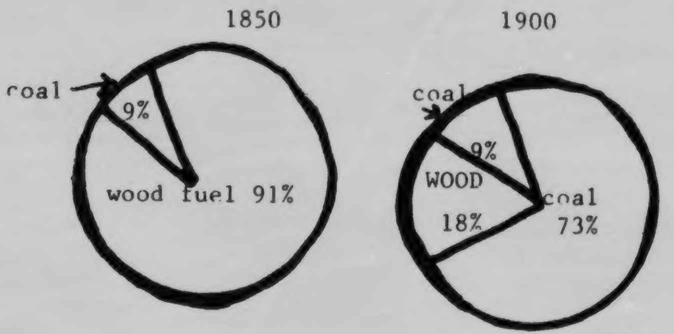
(Modern man uses about 230,000 kilocalories per person per day.)

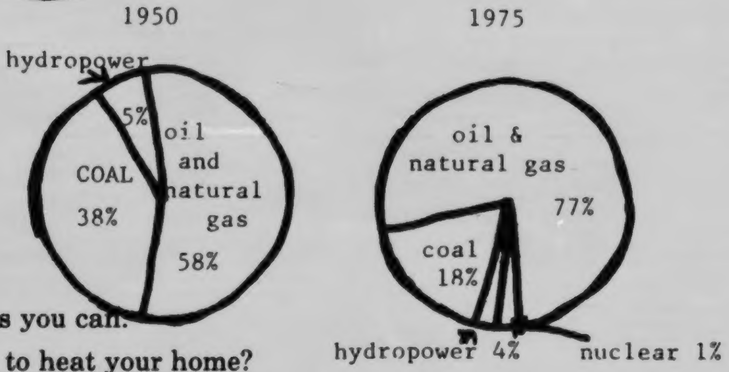
(Primitive man used only about 2,000 kilocalories per person per day.)

We must find enough fuel. We must choose the right fuel. 411

Most of our energy comes from fossil fuel. We have used these fuels at a fast rate. Our supply of these is low.

The types of fossil fuels we use has changed. The graphs show how our demand for fuels has changed.





ACTIVITY 8

Answer as many of these questions as you can.

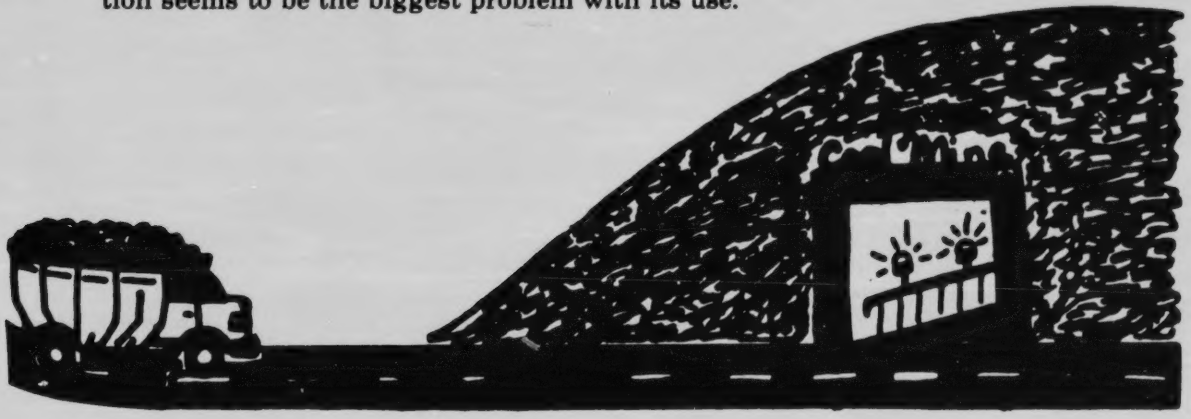
1. What type of fuel do you use to heat your home?
2. What type of fuel was used in your childhood home?
3. What type of fuel was used in your mother's childhood home?
4. What type of fuel was used in your grandmother's childhood home?

Supplies of oil and gas will run out. Other energy sources that we may use:

1) Coal
2) Nuclear fusion
3) Nuclear fission
4) Solar
5) Geothermal
6) Hydropower
7) Wind
8) Wastes (direct burning)

Some sources are easy to obtain. Other sources may be too expensive.

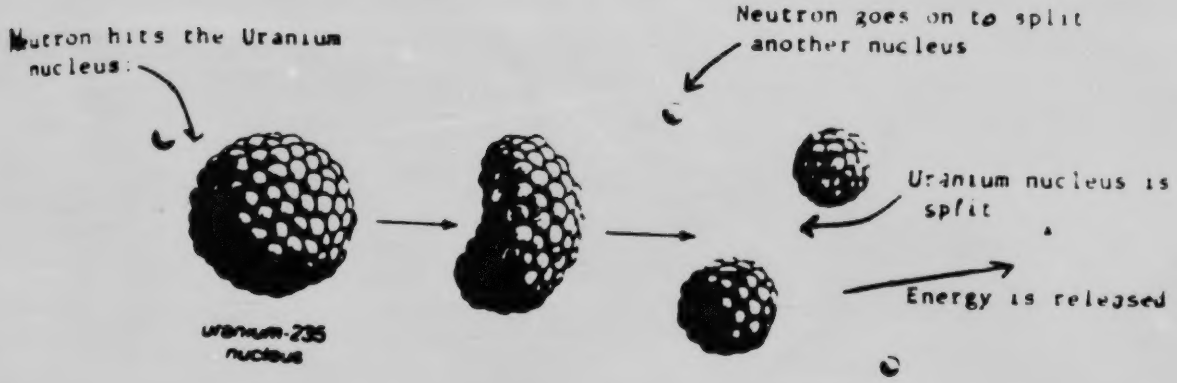
COAL: Our coal supplies may be enough. Use of coal will produce problems. Problems with air and water pollution will increse. It would cause damage from strip mining. Air pollution seems to be the biggest problem with its use.



NUCLEAR FISSION:

Nuclear fission supplies 10% of our energy. Nuclear fission could be dangerous. The danger of a nuclear power plant is a meltdown. Harmful materials would be released into the air.

Energy is created when an atom is split. Uranium 235 is used for this.


Neutron hits the Uranium nucleus:
Neutron goes on to split another nucleus
Uranium nucleus is split
Energy is released
uranium-235 nucleus

One of the waste products is plutonium.

Facts about plutonium:

1) One ounce is enough to kill every human on earth.
2) A tiny speck is enough to cause cancer.
3) Only 10 pounds are needed to make an atomic bomb.
4) A reactor will contain about 2,200 pounds.

NUCLEAR FUSION:

Nuclear fusion is another way of releasing energy. In fusion, two nuclei are joined. There are less dangerous wastes.

SOLAR ENERGY:

Solar energy is plentiful. It is cleaner. Solar energy is safe.

1) Solar energy must be collected and concentrated.
2) Methods of storing it should be developed.

GEOTHERMAL:

Geothermal energy is from rocks heated below the earth. The amount of it is unknown.

HYDROPOWER:

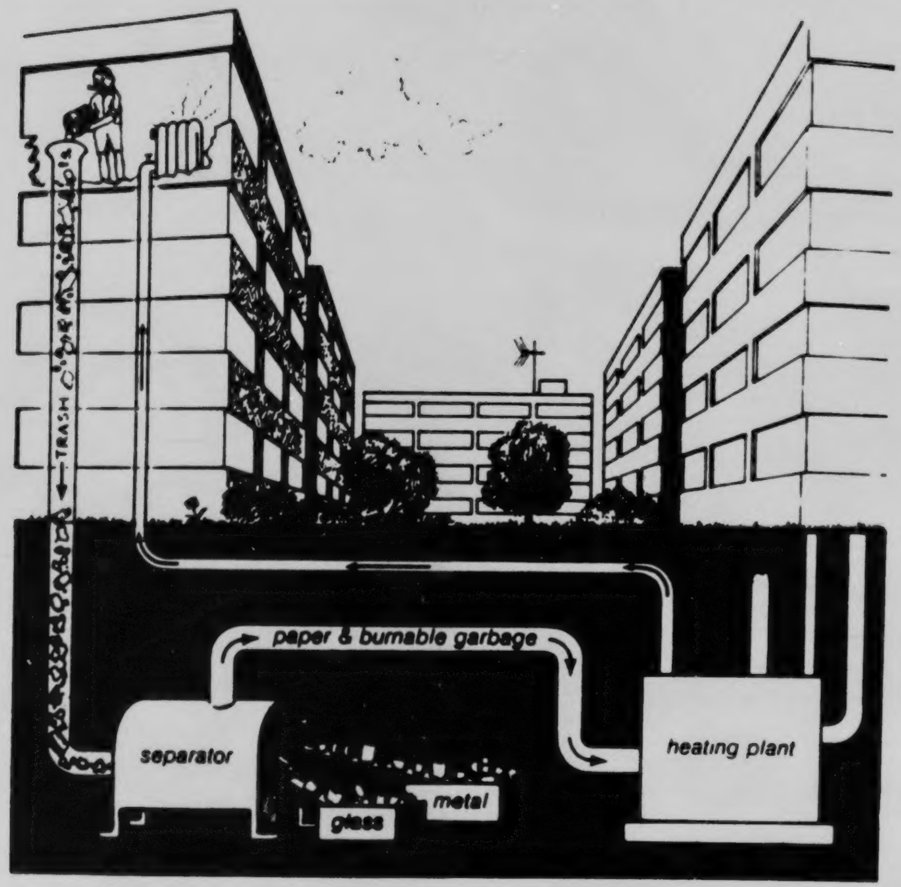
Hydropower provides about 10% of electric power. Most available rivers have already been dammed.

WIND:

Wind power is clean, safe, and available. It is unknown how much power the wind could provide.

WASTES:

Burning of wastes would provide only about 1 to 2 percent of our energy needs. It would pollute.



The Swedish vacuum pipeline system of garbage and trash disposal. Trash is burned in a modern incinerator with the heat being used to heat the buildings or to produce electricity.

ACTIVITY 9

Write the answers for the following questions in your Student Response Booklet.

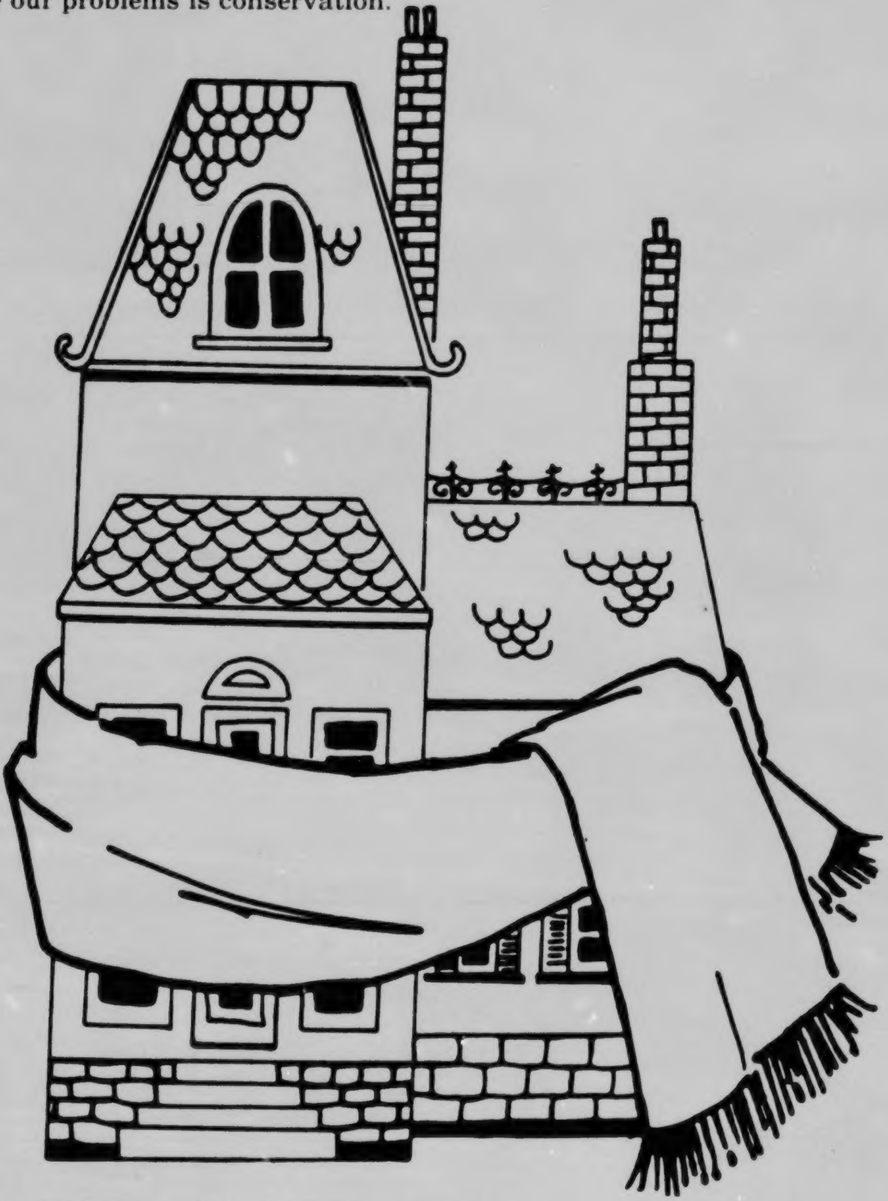
Multiple Choice:

1. The U.S. uses more metals and minerals than it can produce. This makes the U.S.
   - a. a strong country.
   - b. dependent on other countries.
   - c. a poor country.
2. Our supplies of some metals and minerals is low. This means that we will
   - a. run out of these.
   - b. wait until more are made.
   - c. run so low that the price will increase.
3. Non-renewable means
   - a. they cannot be reproduced.
   - b. they cannot be re-used.
   - c. they cannot be cleaned.
4. One of the barriers to recycling is
   - a. we don't know how.
   - b. people don't want to.
   - c. there are too many junk yards.

5. Our problem is to find enough fuel. It is also to
   a. find a way to purchase this.
   b. find a country willing to sell this fuel.
   c. find fuel that will not destroy our environment.
6. Around 1850, the major source of fuel in the U.S. was
   a. wood.
   b. coal.
   c. water.
7. Today, our major source of fuel is
   a. coal.
   b. oil and natural gas.
   c. hydropower.
8. One of the main problems with coal is
   a. we don't have any.
   b. it creates air pollution.
   c. we can't find a country willing to sell it to us.
9. A dangerous waste product of nuclear fission is
   a. plutonium.
   b. radiation.
   c. ammonia.
10. A reactor for nuclear power will contain
   a. one ounce of plutonium.
   b. 500 pounds of plutonium.
   c. 2,200 pounds of plutonium.
11. Nuclear fusion is safe for the environment but
   a. will cause pollution in outer space.
   b. a way to produce it efficiently has not been developed.
   c. will cost too much.
12. Solar energy is
   a. not very plentiful.
   b. very plentiful.
   c. not clean.
13. Our energy problems are
   a. serious.
   b. not serious.
   c. easy to solve.

Check your answers with the Answer Key in the back of this unit.

One of the ways to solve our problems is conservation.



Save energy. Read the lists. Think about the things you do.

Insulation:

Ceiling — minimum 6-inch mineral wool.
Walls — minimum 4-inch mineral wool.
Crawl space — 2-inch mineral wool.

Window

Install storm windows.
Double glazing.
Cover with plastic.

Utilize Winter Sun

Protect House from Winter Wind

Plant or build a windbreak.

Design house for maximum protection.

Protect entrance.

Seal Air Leaks

Weatherstrip doors and windows.

Caulk cracks.

Seal unused doors.

Protect House from Summer Sun

Plant trees.

Use awnings.

Utilize Breezes for Cooling

Open windows.

Close during mid-day.

Temperature Control

Reduce heat in winter.

Set air-conditioning unit to recirculate cool air.

Summer air-conditioning 78° or higher.

Reduce nighttime winter temperatures 5°-8° or more.

Use fans for cooling when outside temperature is below house temperature.

Maintain heating and cooling equipment.

Keep air filters clean.

Close off unused rooms.

Use exhaust fans only when necessary.

Install an exhaust fan to remove hot air.

Shade windows in summer.

Open draperies and roll up shades to receive sun's heat in winter.

Close flue when fireplace is not in use.

Select an energy efficient air-conditioning unit.

Repair leaks and insulate heating and cooling ducts.

Reduce heating and cooling temperatures when away from home.

Lighting

Turn off unnecessary lights.

Reduce lighting levels.

Use bulbs with lower wattage in halls.

Use light colors.

Do tasks which require a high light level during the daylight hours.

Keep lighting fixtures clean.

Use fluorescent lighting.

Use timers to turn lights on in the evenings when no one is home.

Heating Water

Reduce water used.

Insulate long hot water pipes, especially those under the house.

Repair leaky faucets.

Maintain 140° F. on water heater.

Laundry

Wash full loads.

Use heated water in only the washing cycle.

Use water no hotter than necessary for adequate soil removal.

Use good laundry techniques.

Avoid over drying.

Line dry garments.

Use the dryer efficiently.

Remove items when dryer stops to avoid wrinkling.

Reduce ironing.

Cleaning and Maintenance

Empty or replace vacuum cleaner bag frequently.

Eliminate unnecessary vacuuming.

Use hand equipment when practical.

Develop preventative maintenance practices.

Cooking and Baking

Use oven to capacity.

Use cooking utensils which fit the electric unit.

Use tight-fitting lids.

Reduce heat to maintain cooking temperature.

Use small appliances for cooking, baking, and toasting.

Preheat oven only when necessary.

Turn off oven, surface units, or burners when food is cooked.

Refrigerator and Freezer

Avoid opening door or holding it open unnecessarily.

Keep grills and evaporator coils clean.

Locate away from a heat source.

Defrost as needed.

If cold air is leaking, have door adjusted or gasket replaced.

Turn off, empty, clean and leave refrigerator door open when taking an extended vacation.

Dishwashing

Hold until the dishwasher is filled.

Avoid wasting hot water by letting it run.

Personal Care

Minimize hot water used in bathing.

Do not leave water running.

Turn off faucets promptly.

Recreation and Entertainment

Turn off TV, radio or stereo when no one is watching or listening.

Disconnect instant-on TV when you are not going to be using it.

Use shop or hobby equipment efficiently.

Maintain tools in good operation condition.

Develop leisure activities that have low energy costs.

Spend vacations closer to home.

Encourage home and neighborhood activities.

The Family Automobile

Drive at a moderate speed.

Drive smoothly.

Don't warm up the car for more than a minute or two.

Provide proper maintenance.

Combine errands by planning.

Carpool whenever possible.

Other Transportation

Walk, ride a bicycle, or use public transportation whenever possible.

Travel only when necessary.

ACTIVITY 10

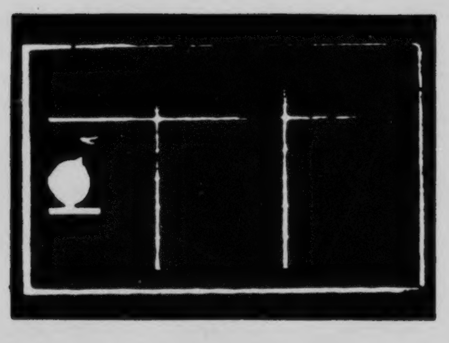
Make a list of the ways you save energy now. Make another list of the ways you plan to save energy in the future.

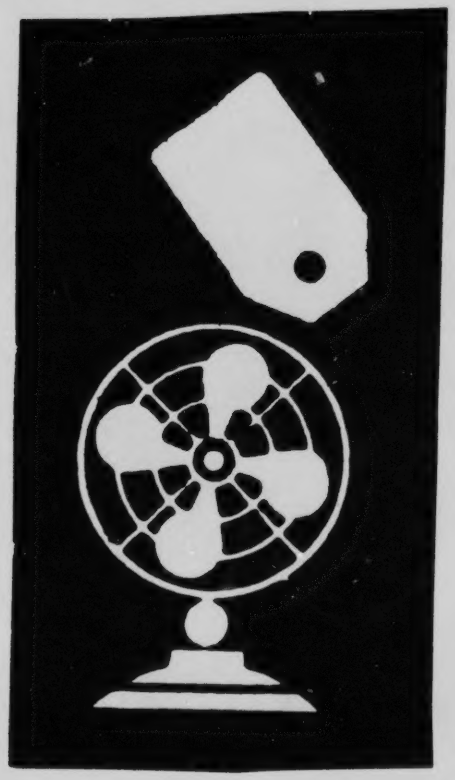
THE APPLIANCE LABELING PROGRAM: Manufacturers must put labels on products listed below. These labels will tell you operating costs.

- air conditioners
- clothes dryers
- clothes washers
- dishwashers
- freezers
- furnaces
- home heating equipment
- humidifiers and dehumidifiers
- ranges and ovens
- refrigerators
- television sets
- water heaters

The Energy Efficiency Ration, EER, is a number that rates the energy efficiency of appliances.

Example: An air conditioner with an EER of 11.5 will use less than half the energy of an air conditioner with an EER of 5.4.





STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20
PART 2 - NATURAL RESOURCES

NAME ____

DATE ______________________

VOCABULARY STUDY

NATURAL RESOURCES

ACTIVITY 1

Draw a line to the right answer.

Renewable Resources

Ecosphere

Non-Renewable Resources

Hydrologic Cycle

Meltdown

Fixed Resource

Desalination

Energy Crisis

Recycling

Technology

Urbanization

Natural Resources

Materials such as coal, water, and oil that are available for use by man.

Methods used to get objects for man's use.

Resources that can be replaced in a short time.

The building of cities.

Resources that cannot be replaced.

The process of taking salt out of sea water.

The cycle of water.

The amount we have of these resources will never change.

Air, water, and land.

Using resources over again.

Our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy.

What would happen if the cooling system of a nuclear reactor would fail.

ACTIVITY 2

Check the resources that you think are important:

Check the resources that you think are important.

Renewable	**Non-Renewable**
Land	Coal
Air	Oil
Water	Iron
Food (Crops and Animals)	Aluminum
	Tin
	Copper

ACTIVITY 3

1) List some things you use that are made from trees ______________________

____

2) Which is the most important?

Using forests for farming ______________

Using forests as they are now ______________

ACTIVITY 4

Four ways you use water

1) ______________________________

2) ______________________________

3) ______________________________

4) ______________________________

ACTIVITY 5 "Fact or Opinion"

Mark "F" if the statement is a **fact.** Mark "O" if the statement is an **opinion.**

1. Water is a renewable resource.
2. The U.S. will have water shortages by the year 2000.
3. Water is an important resource.
4. Water can be re-used.
5. Personal conservation is the best way to stop water shortages.
6. 97.2% of the water on earth is salt water.
7. Icebergs can supply us with fresh water.
8. Industry and agriculture use a lot of water to provide us with items we don't really need.
9. Water is necessary to survive.
10. You should not sprinkle your lawn because grass is not a necessity.

Check your answers with the Answer Key in the back of this unit.

ACTIVITY 6

I think we use so many metals and minerals because ______________________________

____

____

____

ACTIVITY 7

Write the name and address of a place that recycles paper or metal.

____

____

____

ACTIVITY 8

Answer as many of these questions as you can:

1. What type of fuel do you use to heat your home?
2. What type of fuel was used in your childhood home?
3. What type of fuel was used in your mother's childhood home?
4. What type of fuel was used in your grandmother's childhood home?

____

____

____

____

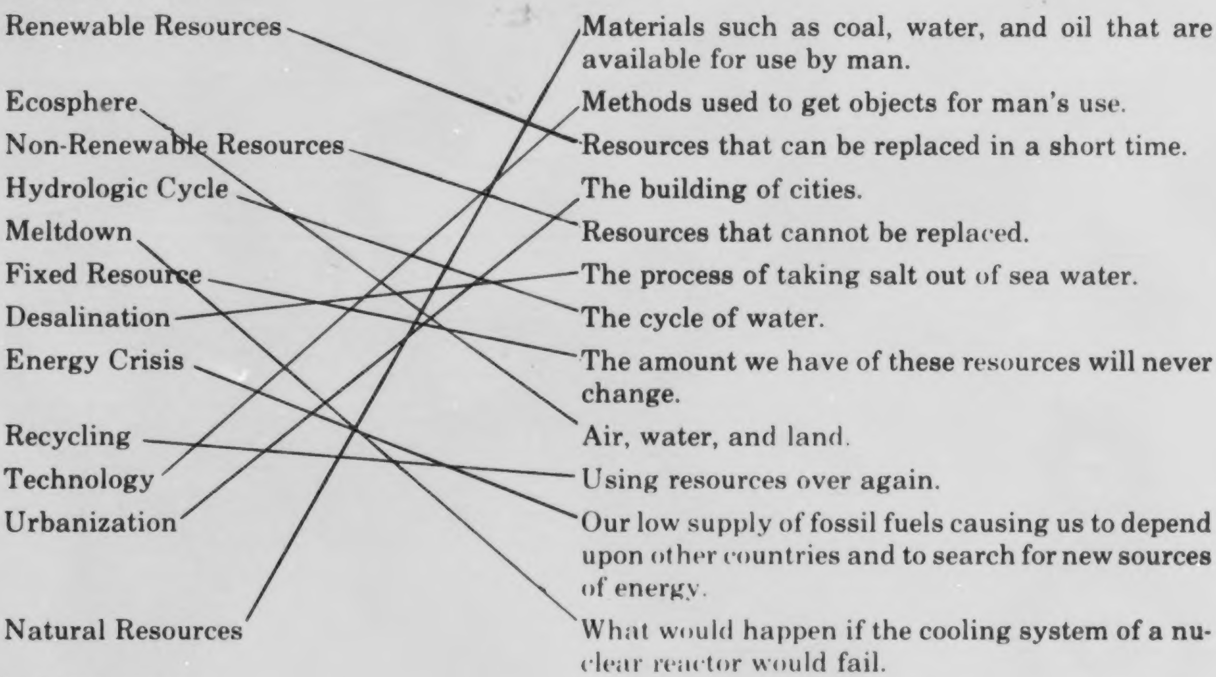
ACTIVITY 9

1 ______________
2 ______________
3 ______________
4 ______________
5 ______________
6 ______________
7 ______________
8 ______________
9 ______________
10 ______________
11 ______________
12 ______________
13 ______________

CONSUMER ECONOMICS - 20

ANSWER KEY - PART 2 - NATURAL RESOURCES

ACTIVITY 1



Renewable Resources

Ecosphere

Non-Renewable Resources

Hydrologic Cycle

Meltdown

Fixed Resource

Desalination

Energy Crisis

Recycling

Technology

Urbanization

Natural Resources

Materials such as coal, water, and oil that are available for use by man.

Methods used to get objects for man's use.

Resources that can be replaced in a short time.

The building of cities.

Resources that cannot be replaced.

The process of taking salt out of sea water.

The cycle of water.

The amount we have of these resources will never change.

Air, water, and land.

Using resources over again.

Our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy.

What would happen if the cooling system of a nuclear reactor would fail.

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Answers will vary.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

Mark "F" if the statement is a **fact.** Mark "O" if the statement is an **opinion.**

1. Water is a renewable resource. F
2. The U.S. will have water shortages by the year 2000. F
3. Water is an important resource. F
4. Water can be re-used. F
5. Personal conservation is the best way to stop water shortage. F
6. 97.2% of the water on earth is salt water. F
7. Icebergs can supply us with fresh water. F
8. Industry and agriculture use a lot of water to provide us with items we don't really need. O
9. Water is necessary to survive. F
10. You should not sprinkle your lawn because grass is not a necessity. O

ACTIVITY 6

Answers will vary.

ACTIVITY 7

Answers will vary.

ACTIVITY 8

Answers will vary.

ACTIVITY 9

1. b
2. c
3. a
4. b
5. c
6. a
7. b
8. b
9. a
10. c
11. b
12. b
13. a

PART 3 - ECOLOGY

To the student . . .

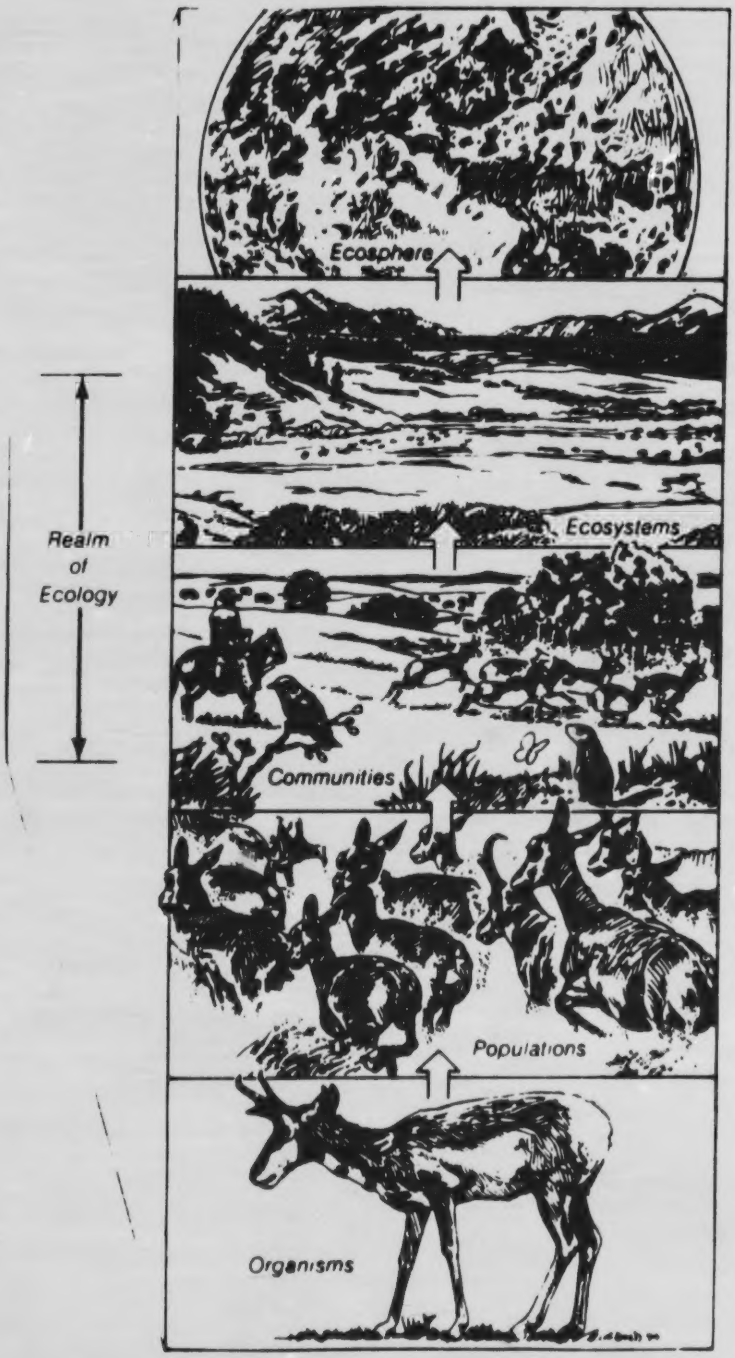
Ecology is the study of living things. We will study man's effect on things. We will see how nature creates a balance between living things. We will look at how man has changed this. We will look at problems man has caused. We will find some solutions.

NO
SWIMMING
WATER
POLLUTION

Ecologists try to find out how life is connected.

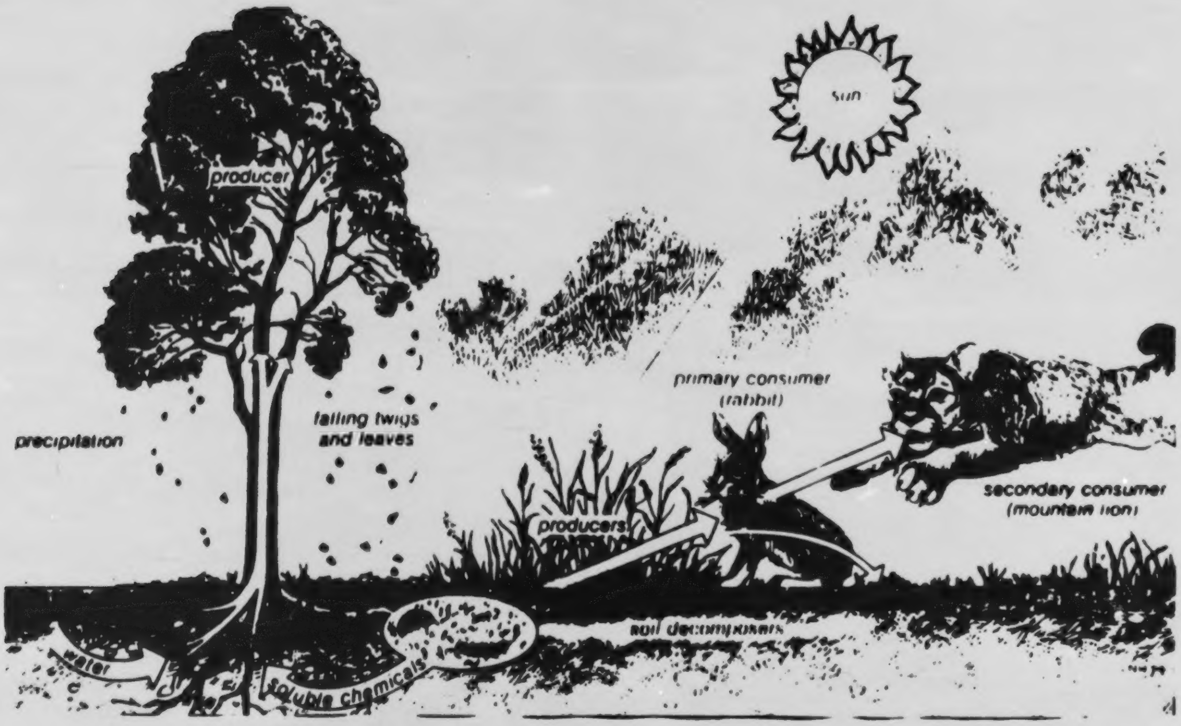
The ecosphere is the air, water, and land of earth.

LOOK AT THE CHART


Ecosphere
Ecosystems
Realm of Ecology
Communities
Populations
Organisms

The basic parts of any ecosystem are:

1) solar energy
2) producers
3) consumers
4) decomposers
5) nutrients & chemicals


sun
producer
precipitation
falling twigs and leaves
primary consumer (rabbit)
secondary consumer (mountain lion)
producers
soil decomposers
water
soluble chemicals

Our environment, if left alone, will control itself. Now man has changed this balance.

Your environment is your surroundings. Man's control of this was very low years ago. Man found new ways to control it. Fertilizers increase the food he can grow. Dams stop floods and produce energy.

ACTIVITY 1

See if you can name two or more ways man has learned to control his environment.

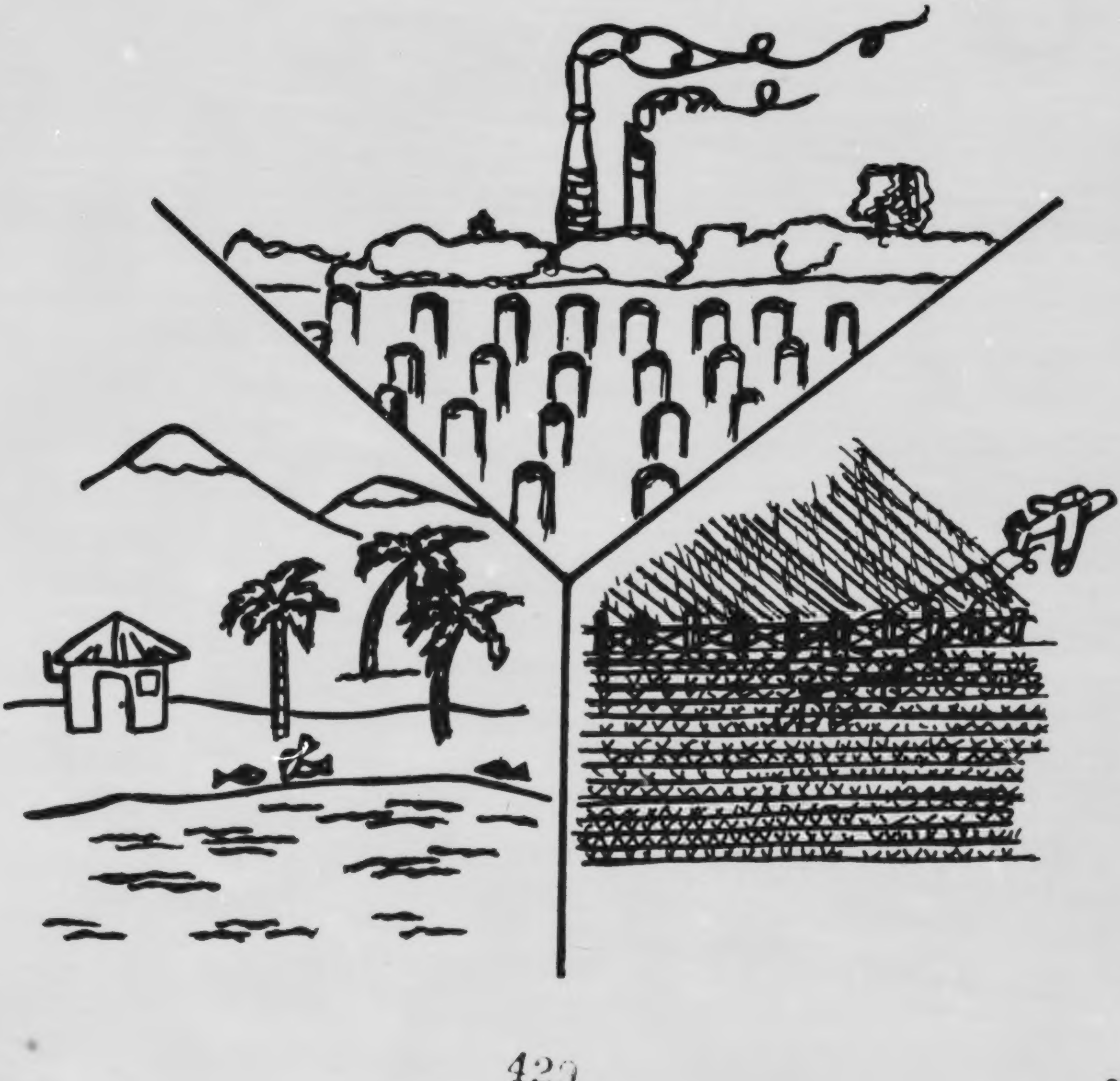
Life and non-life is connected in a cycle. Each part has a great effect on the rest of the cycle. Read the sentence below:

"WE CANNOT COMMAND NATURE EXCEPT BY OBEYING HER"

ACTIVITY 2

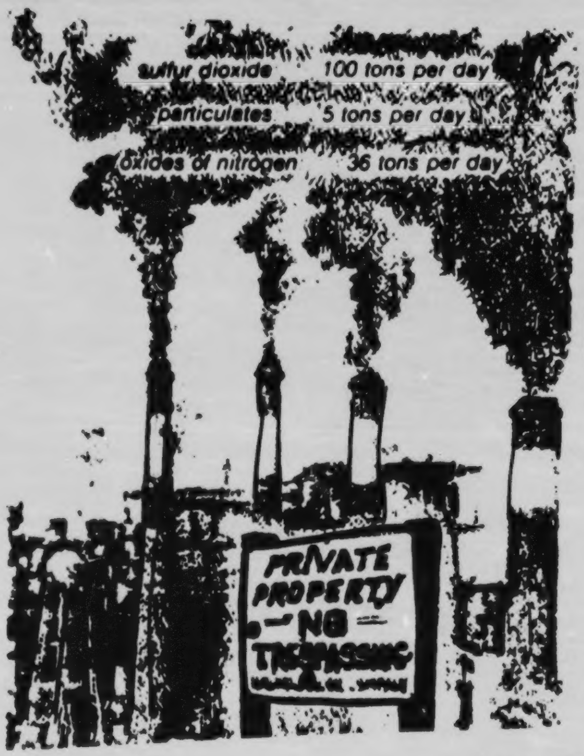
Go to your Student Response Booklet. Write a few sentences about what you think the sentence means.

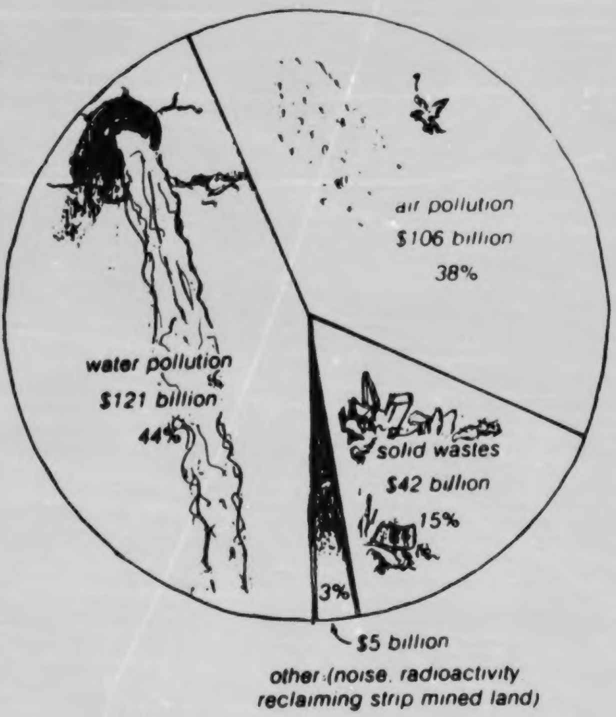
POLLUTION is adding something to air, water, or soil so that it is unsafe for use by man.



The government works with industry to help fight pollution created by factories of all kinds. (The Industrial Revolution refers to the advance of factories and manufacturers.)

MONEY SPENT FIGHTING POLLUTION


sulfur dioxide 100 tons per day
particulates 5 tons per day
oxides of nitrogen 36 tons per day
PRIVATE PROPERTY — NO — TRESPASSING



AIR POLLUTION

Air pollution is not new. Factories and cars increase air pollution. The five main types of air pollution are:

1) Sulfur Oxides:	These are from the use of coal and oil. These react with water and produce sulfuric acid. This damages lungs and causes corrosion.
2) Particulates:	(Soot, dust, oil, spray, asbestos). They harm lungs and air tubes. They harm plants. They may cause climate changes.
3) Nitrogen Oxides:	Produced from the engines of cars in use. They combine to form smog.
4) Hydrocarbons:	Result of unburned gasoline. They form smog.
5) Carbon Monoxide & Carbon Dioxide:	Comes from cars.

Five sources of air pollution are:

1) transportation
2) power plants
3) industry
4) fires
5) burning of wastes

Cars are a large source of air pollution. Industry is another source of air pollution. Look at the picture. The plant shown burns coal.

We have laws to control pollutants.

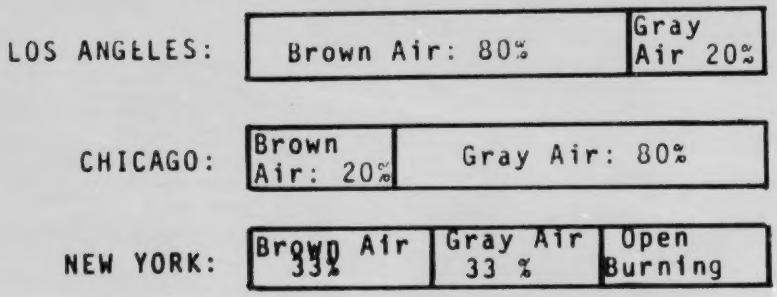
BROWN AIR CITIES: A city polluted by pollutants that come from cars.

GRAY AIR CITIES: A city polluted from industry and power plants.

GRAY/BROWN AIR CITIES: Cities polluted from both cars and industry.

Look at the figures:

TYPES OF POLLUTION IN 3 MAJOR CITIES



ACTIVITY 3

Answer the following questions. Write your answers in your Student Response Booklet.

1) The main reason air pollution has gotten worse is because of
   - a. more warm air over cities.
   - b. the Industrial Revolution.
   - c. people are smoking more.
2) The worst source of air pollution is
   - a. cigarette smoking.
   - b. automobiles.
   - c. people burning trash.
3) Power plants which burn coal
   - a. don't add to pollution problems.
   - b. pay large fines.
   - c. add a lot of pollution to the air.
4) Brown air cities are polluted by
   - a. cars.
   - b. industry.
   - c. open burning.
5) Gray air cities are polluted by
   - a. cars.
   - b. industry.
   - c. open burning.
6) Pollution is
   - a. dangerous to life.
   - b. a big problem.
   - c. both of the above.

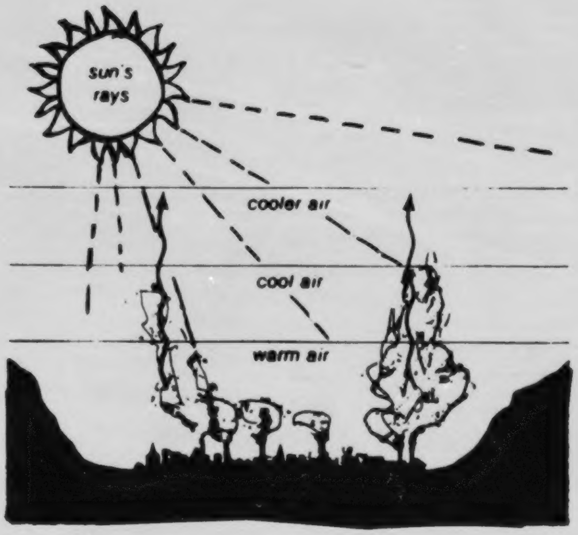
WE WANT CLEAN AIR

Check your answers with the Answer Key.

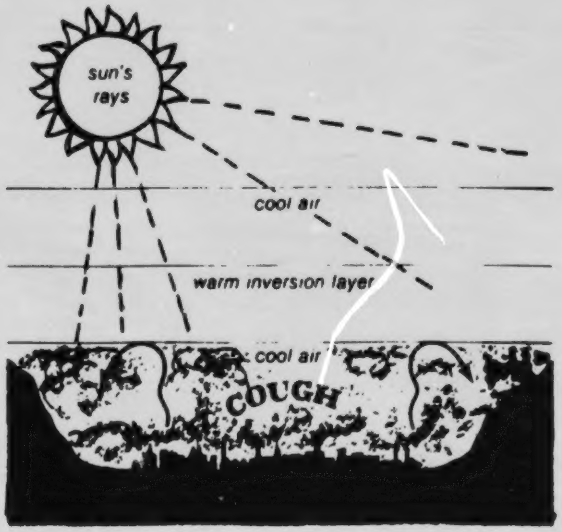
EFFECTS OF POLLUTION:

THERMAL INVERSION: Warm air does not allow the air to rise. It becomes filled with pollutants. This happened in Danora, Pennsylvania in 1911.

NORMAL


sun's rays
cooler air
cool air
warm air

THERMAL INVERSION


sun's rays
cool air
warm inversion layer
cool air
COUGH

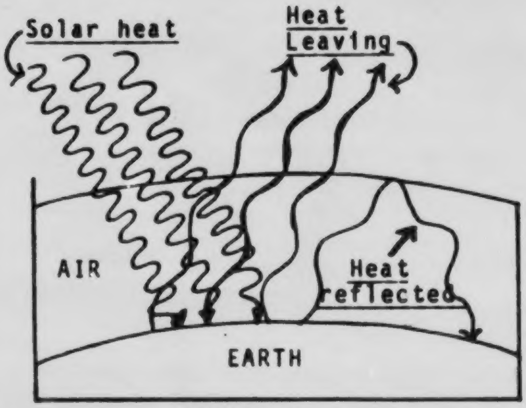
GREENHOUSE EFFECT:

Look at the picture.

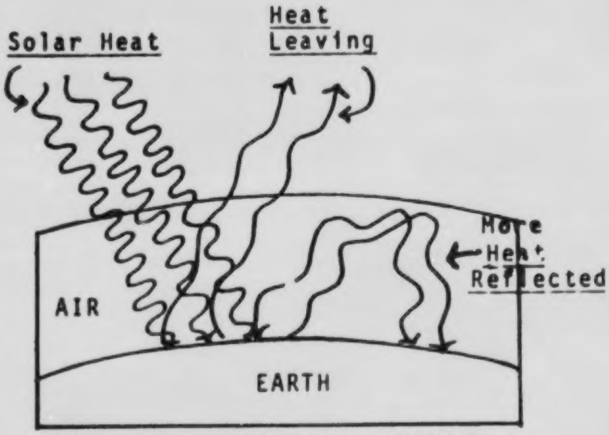
It shows some of the effects from air pollution.

Pollution can cause

1) disease and destruction of plants.
2) corrosion of materials.
3) boiling of materials.
4) changes in climate.

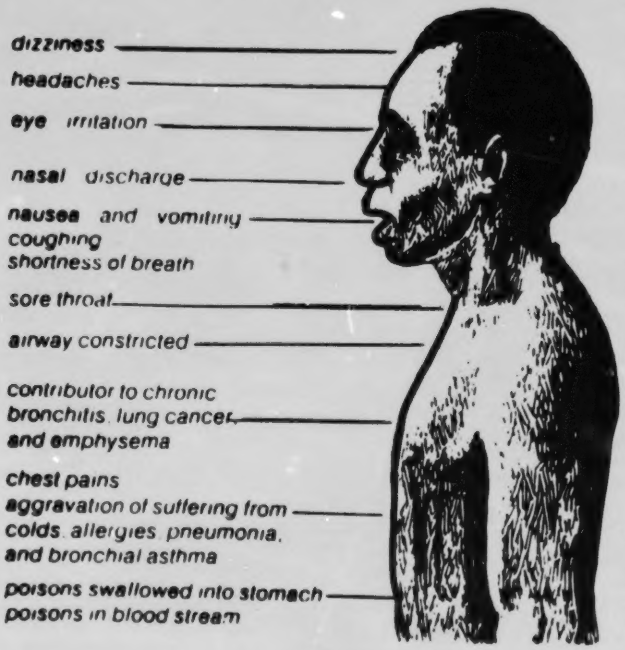

Solar heat
Heat Leaving
AIR
Heat reflected
EARTH

NORMALLY


Solar Heat
Heat Leaving
More Heat Reflected
AIR
EARTH

WITH AN INCREASE OF CARBON MONOXIDE

CUT AIR POLLUTION


dizziness
headaches
eye irritation
nasal discharge
nausea and vomiting
coughing
shortness of breath
sore throat
airway constricted
contributor to chronic bronchitis, lung cancer and emphysema
chest pains
aggravation of suffering from colds, allergies, pneumonia, and bronchial asthma
poisons swallowed into stomach
poisons in blood stream

- walk
- use buses and trains
- join a car pool
- drive a smaller car
- observe speed limits
- ride a bike
- buy gasoline with the least lead
- see that pollution controls on your car are doing their job
- turn off lights, radio and TV when not in use
- don't burn leaves or trash
- buy foods and liquids in returnable containers
- reuse and recycle
- set thermostat at 68°
- turn heat down at night
- insulate your house
- support clean air movements
- write letters if you know of a problem in your area.

ACTIVITY 4

Look at the list again. Choose the five things that you feel are most important. Write them in your Student Response Booklet.

INDUSTRY & POWER PLANTS	Add mostly:	chemicals heavy metals thermal pollution
AGRICULTURE	Adds mostly:	chemicals pesticides nutrients
SEWAGE WASTES	Add mostly:	nutrients dissolved salts
MINING	Adds mostly:	sediments heavy metals acids
CONSTRUCTION	Adds mostly:	sediments heavy metals

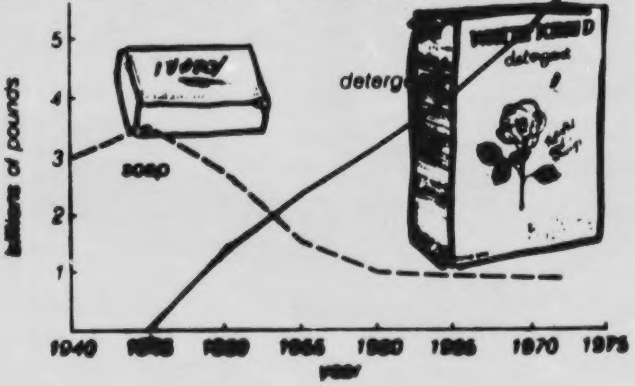
WHAT CAN YOU DO?

- Don't use colored tissue.
- Keep oil from leaking out of your car.
- Consume less electrical power.
- Consider the use of chemical poisons.
- Find out about your sewage plant.

WATER POLLUTION:

We take clean water for granted. Water can become polluted. People die or become ill from contaminated water. Contamination means "not pure." There are many types of water pollution:

1) phosphates
2) pesticides
3) detergents
4) radioactive substances
5) trace metals
6) acids from mine drainage
7) hydrocarbons
8) oil spills
9) thermal pollution
10) heavy metals
11) nutrients
12) increased use of detergents



LAND POLLUTION:

Pesticides are the main cause of land pollution. Pesticides are used to increase food production. Pesticides can be moved by air and water. They stay in air, water and land. Exposure to pesticides may cause damage to the

1) central nervous system.
2) respiratory tract.
3) digestive tract.
4) skin or eyes.
5) reproduction processes.

NOISE POLLUTION:

High noise levels

1) affect work performance.
2) cause accidents.
3) disturb sleep.
4) interrupt conversation.
5) interrupt concentration.

POST TEST

Go to the library. Get a book about anything in this unit. Senators and congressmen want to hear how you feel. Write your letter. Have some idea of the problem. Look for solutions. Address the letter correctly:

Senator: Senator (Senator's full name)
Senate Office Building
Washington, D.C. 20515

Representative: The Honorable (Representative's full name)
House Office Building
Washington, D.C. 20515

Make the letter simple. Cover one problem. Write in your own words. Make it personal. Tell your views. Give reasons. Be courteous. Don't make threats. Explain your solution. Close with "Sincerely."

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20
(Level I Part 3)
ECOLOGY

NAME ____

DATE ______________________

ACTIVITY 1

Two ways man has learned to control his environment.

1.
2.

ACTIVITY 2

ACTIVITY 3

Answer the following questions.

1) The main reason air pollution has gotten worse is because of
   - a. more warm air over cities.
   - b. the Industrial Revolution.
   - c. people are smoking more.
2) The worst source of air pollution is
   - a. cigarette smoking.
   - b. automobiles.
   - c. people burning trash.
3) Power plants which burn coal
   - a. don't add to pollution problems.
   - b. pay large fines.
   - c. add a lot of pollution to the air.
4) Brown air cities are polluted by
   - a. cars.
   - b. industry.
   - c. open burning.
5) Gray air cities are polluted by
   - a. cars.
   - b. industry.
   - c. open burning.
6) Pollution is
   - a. dangerous to life.
   - b. a big problem.
   - c. both of the above.

Check your answers with the Answer Key.

ACTIVITY 4

Look at the list again. List the five things you feel are most important.

1.
2.
3.
4.
5.

ANSWER KEY - PART 3 - ECOLOGY

ACTIVITY 1

Answers will vary.

ACTIVITY 2

Answers will vary.

ACTIVITY 3

1. B
2. B
3. C
4. A
5. B
6. C

ACTIVITY 4

Answers will vary.

CE-20: USE AND CONSERVATION OF RESOURCES
TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:
Upon completion of this Student Activity/Task Packet, the adult learner will be aware of an individual's rights and responsibilities regarding the consumption of world resources.

INTRODUCTION:
This packet should stimulate the student's interest in conserving world resources. The unit is divided into three sections. The student may choose to take one or more of the sections. This will depend upon interest/need. The three sections are:

Over-population
Natural Resources
Ecology

The student will read about overpopulation, natural resources, ecology, and conservation of the resources still available to man today. Provisions should be made to include group discussions on the implication of consumption and how humanity is affected today.

ADAPTABILITY:
This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy systems and group work.

READING LEVEL:
The student should experience success with this packet if he/she reads at Level I, Phase I and II. This is the only objective that has been written at two levels. This is to demonstrate how to re-write materials using the Highlight Reading Technique developed by Dr. Timothy Wells, Indiana Department of Public Instruction, Division of Adult & Community Education.

MATHEMATICAL SKILLS:
No special math skills are required in order to successfully complete this packet.

PRE/POST TEST:
There is no Pre/Post Test for this SAT Packet. The subject matter should be approached as a result of an expressed interest on the part of the student. The vocabulary exercises at the beginning of each of the three sections may be used as a Pre Test. An optional Post Test Activity is included in this packet.

SKILLS OBJECTIVES:
- Reading
  - Develops vocabulary
  - Identifies the main idea
  - Obtains information
  - Distinguishes between fact and opinion
  - Draws conclusions
  - Derives personal relevance
- Writing
  - Makes lists
  - Makes outlines
  - Writes letters
- Speaking, Listening, Viewing
  - Seeks and conveys information
  - Draws conclusions
  - Persuades
  - Derives personal relevance
- Problem Solving
  - Defines the situation
  - Obtains information
  - Examines constraints
  - Determines plan of action
- Interpersonal Relations
  - Explains self
  - Understands others' positions
  - Identifies and resolves conflicts

ADDITIONAL SUPPLEMENTAL MATERIALS:

PERIODICALS:

Environmental Education, (published quarterly by Dembar Educational Research Services, Inc., Box 1605, Madison, Wisconsin, 53701. Subscription $10 per year.

Family Planning Perspectives, published bimonthly by Planned Parenthood - World Population, Editorial Offices, 666 Fifth Avenue, New York, N.Y., 10019. Free on request. Useful to anyone concerned with the population problem.

Science, published weekly by the American Association for the Advancement of Science, 1515 Massachusetts Avenue N.W, Washington, D.C., 20036. $20 per year.

The Sierra Club Bulletin, published monthly by the Sierra Club, 1050 Mills Tower, San Francisco, California 94104. $5 per year. Excellent coverage of a wide range of environmental problems and citizen action. Beautiful photographs.

ENVIRONMENTAL ORGANIZATIONS:

The Conservation Foundation, 1717 Massachusetts Avenue N.W., Washington, D.C., 20036. Active in conservation, analyses of the ecological impact of foreign aid, and conservation education in the schools.

League of Women Voters of the United States, 1730 M Street N.W., Washington, D.C., 20036. An outstanding membership organization with local and state leagues working for political responsibility through an informed and active citizenry. Played a central role in bringing water pollution to the public's attention. Publications on political and environmental issues available.

National Audubon Society, 1130 Fifth Avenue, New York, N.Y., 10028. Operates 40 wildlife sanctuaries across the country and provides a wide variety of ecology education services. Publishes "Audubon" and "Audubon Field Notes."

To the student . . .

Upon completion of the SAT Packet, you will know more about some of the major problems that all people face today. Three areas of study will be covered:

Over-population
Natural Resources
Ecology

It is possible that you will only want to study one section of this objective. If so, you can choose that option. It is hoped that all three areas will be of interest to you. There will be vocabulary word lists to help you with difficult words. Some of the questions will have definite answers. Other questions will reflect your opinion on world conditions. The questions are asked to help you think about how you feel concerning some of these world problems. Don't be afraid to give your opinion. Even the experts are not sure they know the best answers.

PART I - POPULATION

Part I is about our present and future population growth. Population can be defined as: the whole number of people in a country or region; or the total number of people occupying a region. With that definition in mind, some of the major problems produced by too many people will be discussed in this section.

Listed here are some vocabulary words and meanings. Read the word list. If there are words you don't understand, ask your teacher for help.

zero population growth (ZPG)	birth rate equals death rate
geometric growth	growth by doubling
age structure	persons at each age level
family planning	planning to have the number of children you want
net birth rate	number of births
net death rate	number of deaths
over-population	too many living things and not enough food and space
population crash	deaths when a population goes beyond the ability of the environment to support
population control	method used to try to change population growth
population	organisms of the same kind
environment	things about you
net population increase or decrease	net birth rate minus net death rate

ACTIVITY 1

Match each vocabulary word with the correct meaning. Complete this activity in the Student Response Booklet.

WORDS	MEANINGS
1) zero population	a) persons at each age level
2) geometric growth	b) number of births
3) age structure	c) deaths when a population goes beyond the ability of the environment to support
4) family planning	d) whole number of people in a region
5) net birth rate	e) birth rate equals death rate
6) net death rate	f) growth by doubling
7) overpopulation	g) planning the number of children you want
8) population crash	h) number of deaths
9) population control	i) method used to try to change population growth
10) population	j) things around you
11) environment	k) too many living things and not enough food
12) net population increase or decrease	l) net birth minus net death

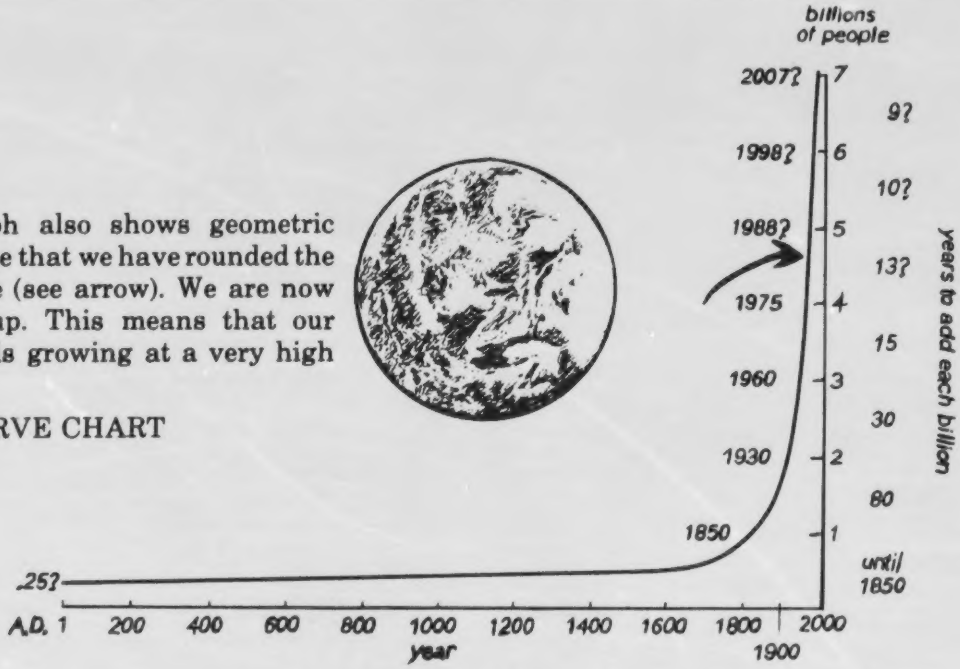
THE POPULATION PROBLEM. Why do some people feel we have a population problem? Have we always had one, or is it a new problem? During the first few million years of man's history on earth, the human population did not exceed 3 million people. It did not reach 5 million people until around 1650 A.D. From 1650 to 1850 the population doubled and there were about 1 billion people by 1850. So it took millions of years to reach the 1 billion mark. How long did it take to add the second billion, the third, and the fourth? Look at the chart. Can you see it is taking less and less time to add another billion people to the earth? This is an example of **geometric growth.** Geometric growth is growth by doubling.

GEOMETRIC GROWTH CHART

TIME PERIOD	NUMBER OF PEOPLE IN POPULATION	TIME TAKEN TO ADD ONE BILLION PEOPLE
Beginning of man to 1850	One billion	millions of years
1850 to 1930	Two billion	80 years
1930 to 1960	Three billion	30 years
1960 to 1975	Four billion	15 years
The Future: If growth continues in the same way:		
1975 to 1988	Five billion	13 years
1988 to 1998	Six billion	10 years
1998 to 2007	Seven billion	9 years

The J-curve graph also shows geometric growth. You can see that we have rounded the bend in this curve (see arrow). We are now headed straight up. This means that our world population is growing at a very high rate.

J-CURVE CHART



Another way to understand our problem is to look at the number of years it takes to replace persons lost by war, famine, disease, or some other disaster. Look at the table. It shows how long it takes to make up for some famous disasters. At our present growth rate, it doesn't take very long!

SOME PAST DISASTERS	NUMBER KILLED	TIME NEEDED TO REPLACE PERSONS
All Americans in all of our wars	600,000	3 days
U.S. Automobile deaths up through 1972	1,800,000	11 days
All wars in the past 500 years	35,000,000	6 months
Bubonic Plague	75,000,000	13 months

The world population is increasing at the rate of 200,000 people each day, or 73 million each year. The population growth is a result of two things: **birth rate** and **death rate.** The number of persons born minus the number of persons who die during any certain time period = population growth.

POPULATION GROWTH = BIRTH RATE - DEATH RATE

WHAT IS THE ANSWER? In some countries, like the United States, people seem to be having fewer children. However, there are also fewer deaths because of our new ways to fight disease. We have developed new and better ways to produce the food we need. There are many countries which don't have as much knowledge about these things. We say that we have better technology. We refer to countries with less technology as underdeveloped countries. Some people feel that population prolems are serious for these underdeveloped countries, but not for the United States.

The U.S. is adding about 3 million persons each year. This is less than the number of people added in many other countries. Because of this, some people here don't believe we should be concerned about population growth. It seems that these people feel that no matter how many people there are in the rest of the world, our country is not going to be affected by it. They feel that our way of life will not change. How do you feel about this?

ACTIVITY 2

Write your opinion about this in the Student Response Booklet. Will our way of life be affected by population growth in other countries?

THE U.S. AND RESOURCES. The United States makes up only about 6% of the total world population. We use about 50% of the total natural resources available in the world. We also produce about 50% of the world's pollution. In his/her lifetime, each American will use an average of:

26 million gallons of water
1,200 barrels of petroleum
52 tons of iron
13,000 pounds of paper
21,000 gallons of gasoline
50 tons of food
10,000 pounds of fertilizers.

And he/she will throw away:

10,000 no return bottles
17,500 cans
27,000 bottle caps
2.3 cars
126 tons of garbage
9.8 tons of air pollution

The U.S. has a higher standard of living than most other countries. Because of this, each new American we add will take more of the world's resources than a new person born in an underdeveloped country. From this point of view, the U.S. is often called the most overpopulated country in the world.

ACTIVITY 3

What is your opinion about the U.S. and the world population problem? Do you think the U.S. is adding to the world population problem? Write your opinions in the Student Response Booklet.

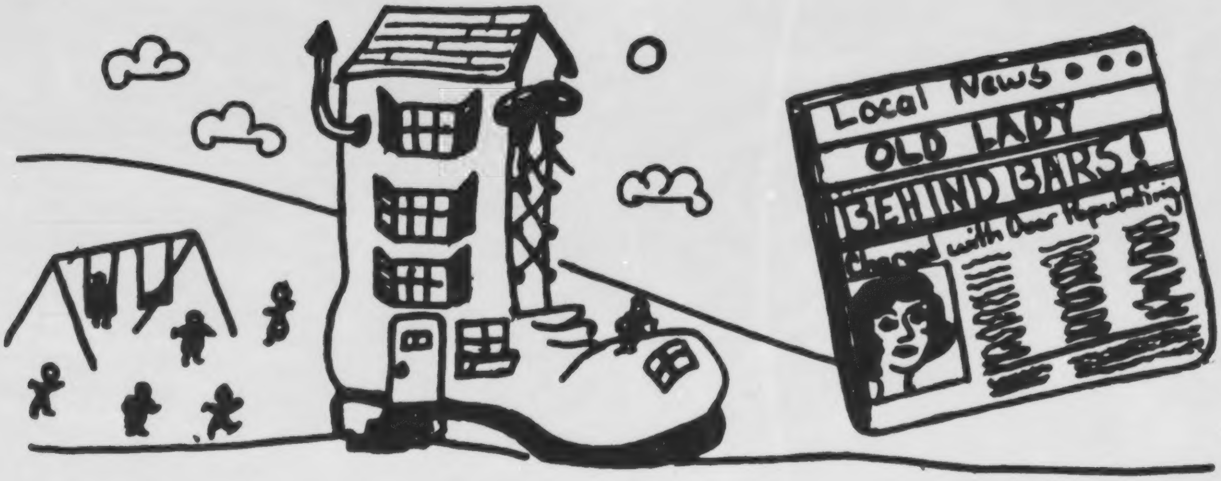
HOW MANY? More and more Americans are finding that they cannot afford to raise a large number of children. The average cost of raising one child to age 18 is 2½ times the family income according to some sources. This can be questioned, but if it is true it raises interesting observations. Look at the chart. Think about it. Consider the future generations if this chart is reliable.

ABC
A
J
Gears!

AVERAGE ANNUAL FAMILY INCOME	COST TO RAISE ONE CHILD TO AGE 18
$ 4,000	$ 10,000
$ 8,000	$ 20,000
$ 10,000	$ 30,000
$ 16,000	$ 40,000
$ 20,000	$ 50,000

WHAT CAN BE DONE? At this time the decision to control population in the U.S. is still up to each individual. In many countries, a plan to control population has already been started. As a part of this control, many countries have made methods of birth control easier to obtain.

If our population growth is not controlled by personal choice, then countries may have to use forced population control. If this happens, large numbers of people will lose their right to have children. What we do today about population will affect the people of the future. If our population growth is not controlled in some way, there may be what is called a **population crash.** This is nature's way of putting our population back to a level where there are fewer people. It means that millions die. After this, the number of people would be small. The people here would have enough food and space to live.



Many believe that steps should be taken to control population growth before this happens. It is very hard to agree on what should be done. Should it remain a personal decisions? Should the government make laws to help control population? Is there really no problem at all? What do you think about this?

ACTIVITY 4

Answer these questions. Write the answers in the Student Response Booklet. Check your answers with the Answer Key. (Circle the correct answer)

1) Population grows by doubling. This kind of growth is called:
   a. planned growth
   b. geometric growth
   c. exponential growth

2) Our country has a high standard of living when compared with most other countries. Because of this, each new American will:
   a. use less than his share of the world's resources
   b. use more than his share of the world's resources
   c. add less pollution than someone in an underdeveloped country

3) Over-population will affect:
   a. only the underdeveloped countries
   b. only countries with more technology
   c. everyone

4) The main idea of this section is:
   a. over-population should be considered a major problem for everyone
   b. over-population will not affect you if you don't worry about it
   c. over-population problems only exist in underdeveloped countries.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20

CONSERVATION OF RESOURCES
(Part I Level II)

NAME ______________________________

DATE ____________________

ACTIVITY 1

Match each vocabulary word with the correct meaning. Complete this activity in the Student Response Booklet.

WORDS	MEANINGS
1) zero population growth	a) persons at each age level
2) geometric growth	b) number of births
3) age structure	c) deaths when a population goes beyond the ability of the environment to support
4) family planning	d) whole number of people in a region
5) net birth rate	e) birth rate equals death rate
6) net death rate	f) growth by doubling
7) overpopulation	g) planning the number of children you want
8) population crash	h) number of deaths
9) population control	i) method used to try to change population growth
10) population	j) things around you
11) environment	k) too many living things and not enough food
12) net population increase or decrease	l) net birth minus net death

ACTIVITY 2

ACTIVITY 3

ACTIVITY 4

Answer these questions. Write the answers in the Student Response Booklet. Check your answers with the Answer Key. (Circle the correct answer)

1) Population grows by doubling. This kind of growth is called:

   a. planned growth
   b. geometric growth
   c. exponential growth

2) Our country has a high standard of living when compared with most other countries. Because of this, each new American will:

   a. use less than his share of the world's resources
   b. use more than his share of the world's resources
   c. add less pollution than someone in an underdeveloped country

3) Over-population will affect:

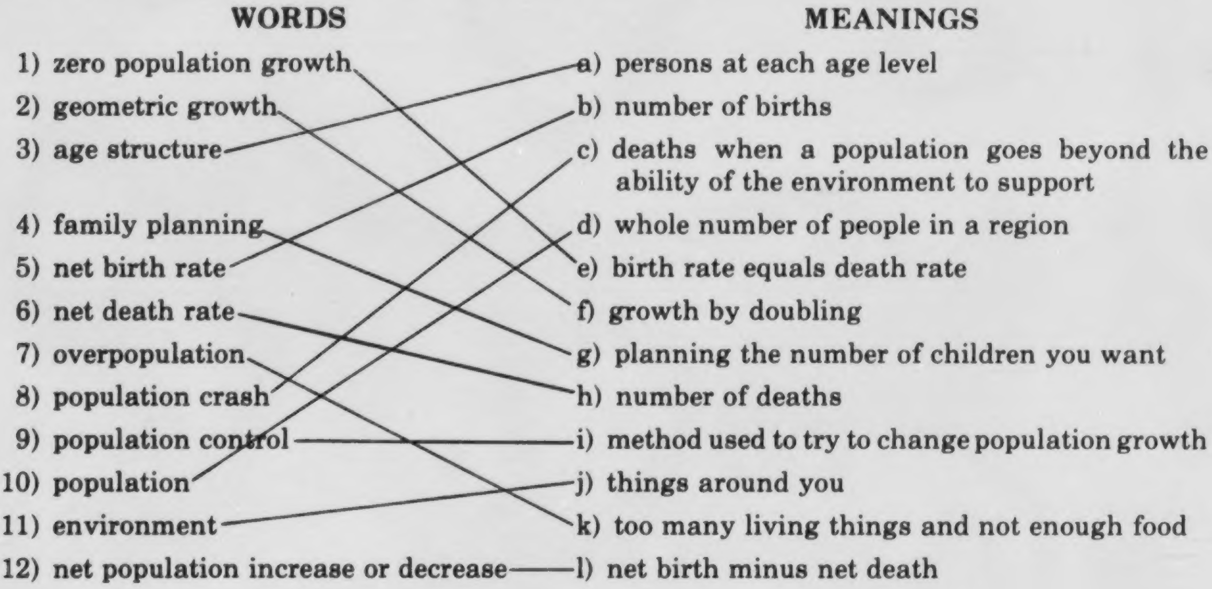
   a. only the underdeveloped countries
   b. only countries with more technology
   c. everyone

4) The main idea of this section is:

   a. over-population should be considered a major problem for everyone
   b. over-population will not affect you if you don't worry about it
   c. over-population problems only exist in underdeveloped countries

ACTIVITY 1

Match each vocabulary word with the correct meaning.



WORDS	MEANINGS
1) zero population growth	a) persons at each age level
2) geometric growth	b) number of births
3) age structure	c) deaths when a population goes beyond the ability of the environment to support
4) family planning	d) whole number of people in a region
5) net birth rate	e) birth rate equals death rate
6) net death rate	f) growth by doubling
7) overpopulation	g) planning the number of children you want
8) population crash	h) number of deaths
9) population control	i) method used to try to change population growth
10) population	j) things around you
11) environment	k) too many living things and not enough food
12) net population increase or decrease	l) net birth minus net death

ACTIVITY 2

Will our way of life be affected by population growth in other countries?

ACTIVITY 3

ACTIVITY 4

1. B
2. B
3. C
4. A

PART 2 - NATURAL RESOURCES

To the student . . .

In this section you will learn how our supply of natural resources is connected with the energy crisis. You will learn what natural resources are and the way we use them. You will also study some facts about what has happened in the past and what may happen in the future.

NATURAL RESOURCES

WORDS	MEANINGS
renewable resources	resources that can be reproduced in a short time
ecosphere	the air, water, and land in which all life is found
natural resources	materials that occur naturally and are available for use by man
non-renewable resources	resources that cannot be replaced
hydrologic cycle	the cycle of water through the ecosphere
meltdown	what would happen if the cooling system of a nuclear reactor failed
fixed resource	the amount we have of the resource will never change
desalination	process of taking salt out of sea water
energy crisis	our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy
recycling	the process of using resources over again
technology	the methods used to provide objects for man's use
urbanization	the building of cities

NATURAL RESOURCES VOCABULARY STUDY

ACTIVITY 1

Find the page that matches this one in the Student Response Booklet. Match each word with the correct meaning. Check your answers with the Answer Key.

renewable resources	materials that occur naturally and are available for use by man
ecosphere	the methods used to provide objects for man's use
natural resources	resources that can be reproduced in a short time
non-renewable resources	the building of cities
hydrologic cycle	resources that cannot be replaced
meltdown	the process of taking salt out of sea water
fixed resource	the cycle of water through the ecosphere
desalination	the amount we have of the resource will never change
energy crisis	the air, water, and land in which all life is found
recycling	the process of using resources over again
technology	our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy
urbanization	what would happen if the cooling system of a nuclear reactor failed

THE EARTH. The earth contains two types of materials:

- resources
- other materials

The other materials are either useless to man or are too costly to obtain. When the energy used to obtain a material is greater than the energy gained from the material, we say that the material is not available at a reasonable cost. To be called a resource, a material must meet two requirements.

- be of use to man
- be available at a reasonable cost

Once a material has met these two requirements, it is called a **resource.** Natural resources are those resources that occur naturally. There are two kinds of natural resources:

- renewable
- non-renewable

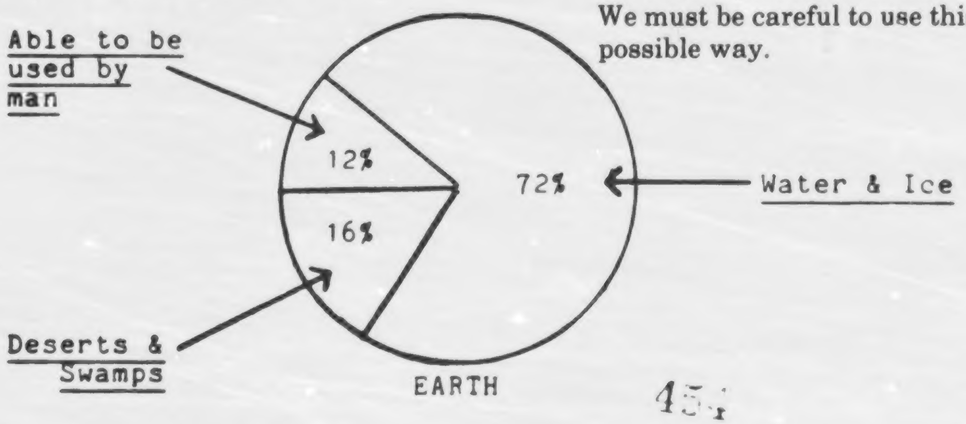
Renewable resources are those that can be reproduced in a short time. **Non-renewable resources** are those that cannot be replaced. (Some of these resources can be replaced but it would take hundreds of millions of years to do so.)

ACTIVITY 2

This is a list of natural resources. List the 3 resources that you think are most important. Do this in the Student Response Booklet.

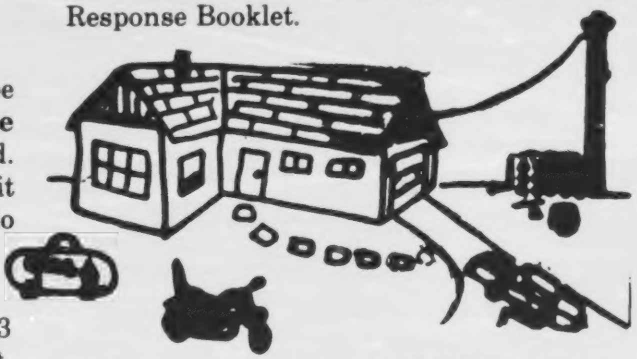
RENEWABLE	NON-RENEWABLE
land	coal
air	oil
water	iron
food (crops and animals)	tin
	copper

When man first appeared on earth, he used the renewable resources only. Land, air, and water were most important to him. Are they still the most important resources that we have? Today we use many different kinds of resources. We have been able to locate and use many materials found here on earth. We have been able to do this because of better technology. Technology means the methods used to provide objects for man's use. Our knowledge of how to use different kinds of natural resources has made many things possible. Man no longer uses only land, air, and water in order to survive.



ACTIVITY 3

Make a list of your own ideas of some of the other ways man uses the earth's natural resources to live. Write this list in the Student Response Booklet.



FOUR AREAS OF NATURAL RESOURCES. Now that we know what natural resources are, we will look at our supply in 4 areas:

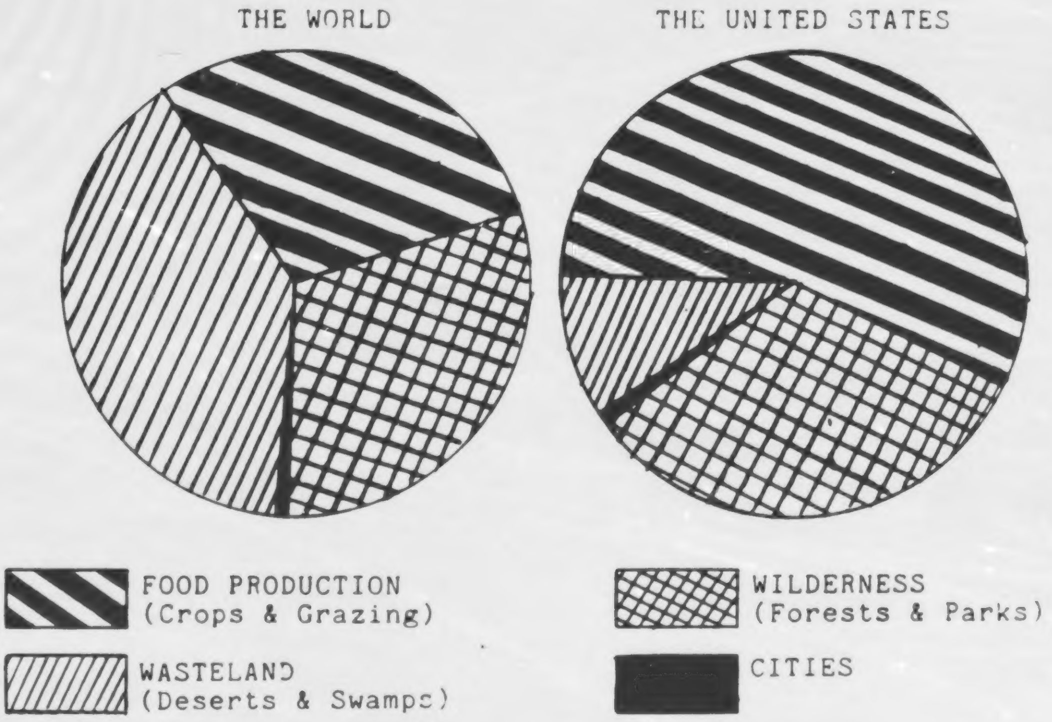
1) land resources
2) water resources
3) metal and mineral resources
4) energy resources

1) **LAND RESOURCES.** If you were asked to name a natural resource, you probably would not think of land first. However, land is a natural resource and a very important one. Land is used by man in three main ways:

  1) food production (crops and grazing)
  2) cities (industry, homes, businesses and roads)
  3) wilderness (forests and parks)

Each of these three uses is important to man's existence. When land is used for one of these three reasons, it is no longer available for use in either of the other two ways. Only 12% of the earth's surface is available for use by man. We must be careful to use this 12% in the best possible way.

FOOD PRODUCTION. By far, man's most important use of land is to produce food. The U.S. uses about 57% of available land for food production. (See chart) However, the world uses only about 30% for producing food. The reason for this is not hard to understand. Large parts of other countries are not fit for growing food. Forty percent is waste land in the form of swamps and deserts. Thus the 12% of the land available for man's use is illustrated in the chart.



Between 5 and 20 million people die from starvation each year. In the U.S. better technology makes it possible to feed more of the world population than ever before. Still there are hungry people. Do you think over-population is the reason? The amount of land we have that will grow food will never increase. However, our population is increasing rapidly.

Cities. The building of cities is called **urbanization.** About 40% of the world's population will live in cities by the year 2000. About 70% of the U.S. population now lives in cities. Cities cannot take care of themselves. People who live in cities buy their food at a grocery, but everyone knows it is not grown there. It takes a lot of land (farmland) to support just one of our large cities. Cities also create other problems. Some of these are:

air pollution
water pollution
wastes
noise
crowding
crime
use of energy supplies

When a city grows, it means less land is available for other uses. It also means more people, more pollution, and more land needed for growing food. Although cities use only a small percent of the land for their buildings, industry, and homes, they cannot be ignored when deciding how land should be used.

Wilderness. Land in the form of wilderness or forests has two main uses to man.

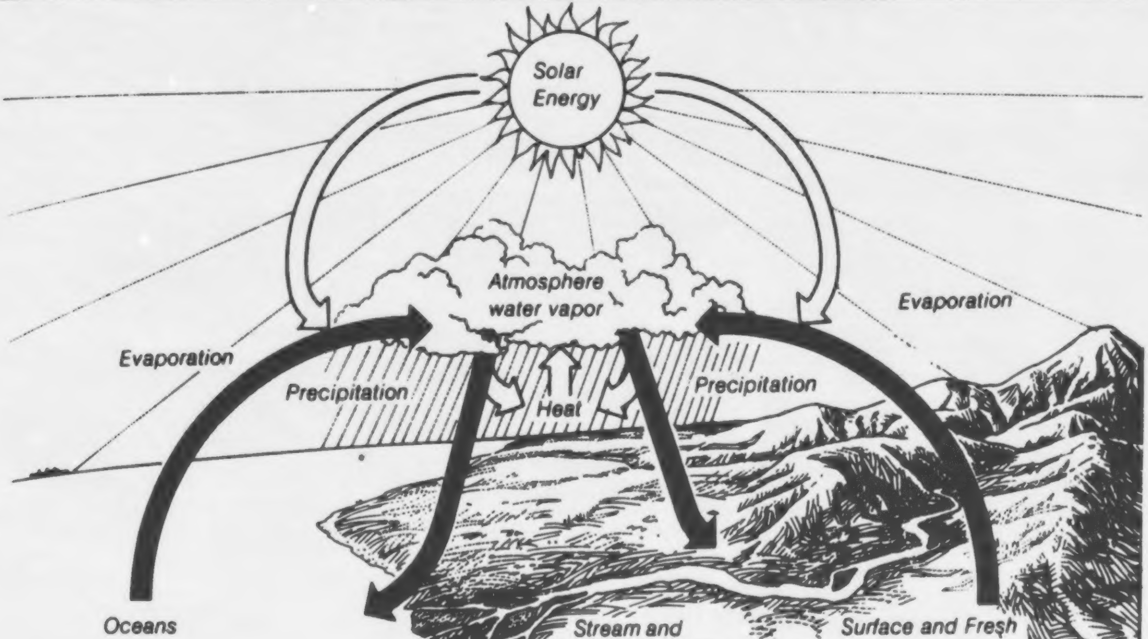
- for leisure activities
- for timber

Man's benefits in using land for leisure activities are many. Parks and forests provide relaxation for people and shelter for wildlife.

Timber is one of the most heavily used resources. Almost 1/3 of our land is still covered with forests. An average American will use about 560 pounds of paper products a year. Forests are renewable resources. Even so, it takes 30 to 200 years for trees to mature and become forests.

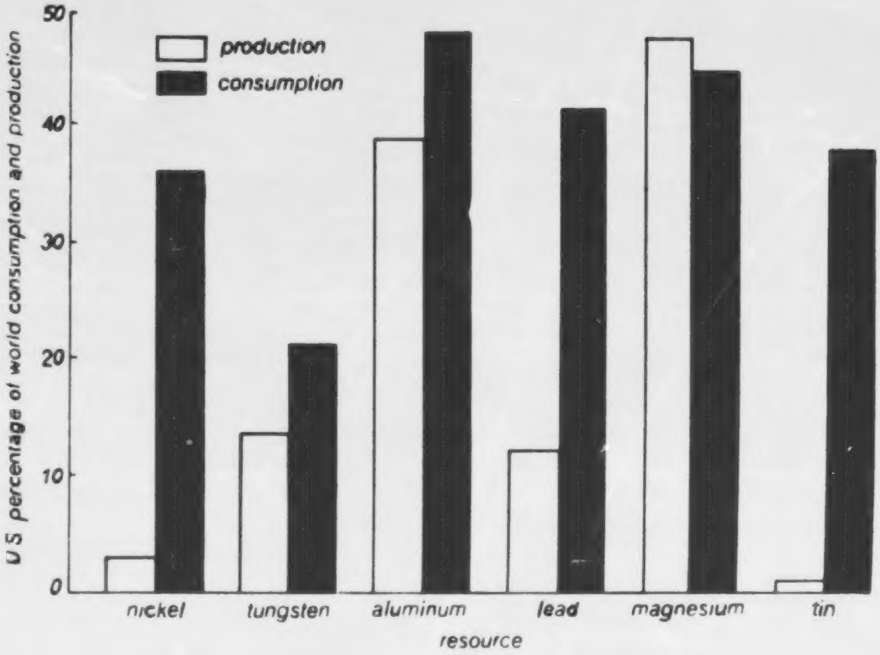
2) **WATER RESOURCES.** Water is our most important and plentiful resource. The earth has about 400 billion billion gallons of water. Water, like land is a renewable resource. Like land, it is also a **fixed resource.** This means that the amount we have will never change. We will always have about 400 billion billion gallons.

Our water joins all life by cycling through the **ecosphere.** The ecosphere includes air, water, and land on which all life is found. The cycle of water through the ecosphere is called the water cycle or **hydrologic cycle.** This word comes from the Latin word "hydra" meaning water. The diagram shows how the water cycle works.


Solar Energy
Atmosphere water vapor
Evaporation
Evaporation
Precipitation
Precipitation
Heat
Oceans
Stream and Groundwater Flow
Surface and Fresh Groundwater liquid water and ice

3) **METAL AND MINERAL RESOURCES.** Water and land are renewable resources. Metals and minerals are non-renewable resources. Once they are used up they cannot be replaced.

The U.S. uses more metal and mineral resources, per person, than any other country in the world. Look at the graph below. It shows the amount of some minerals we use and also the amount we produce in the U.S. We use more than we produce.



ACTIVITY 4

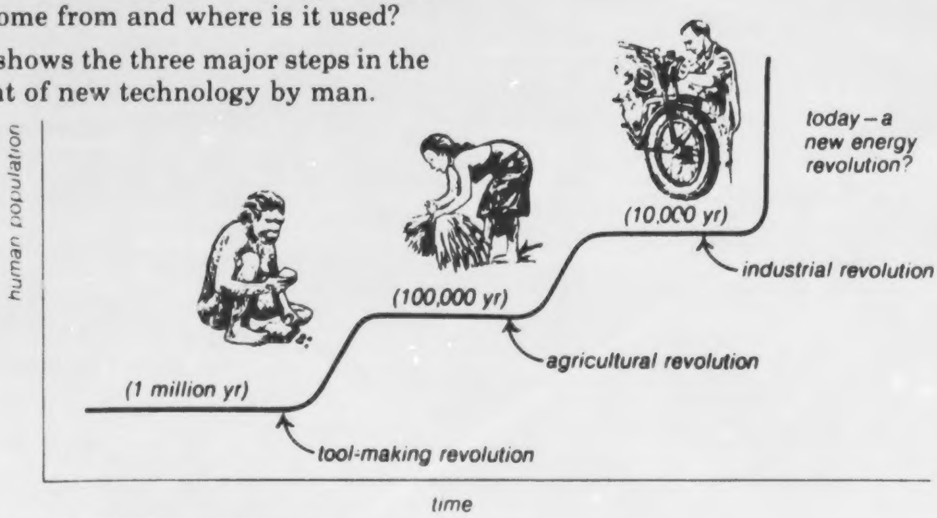
Why do you think the U.S. uses more metal and mineral resources per person than any other country in the world? Write your answer in the Student Response Booklet.

Will We Run Out? None of the metals and minerals discussed will ever be **completely gone.** As one of these resources becomes scarce, the cost of mining it will increase. The cost to the consumer (you and me) will also increase. Eventually, the cost will cause us to stop using this resource. Most experts agree that this will happen when about 80% of a resource has been used. Look at the list of some of the common resources. The year listed is the time when about 80% of that resource will be used.

RESOURCE	YEAR
gold	1982
mercury	1983
silver	1985
zinc	1989
lead	1991
copper	1998
tungsten	1989
tin	2000
tanganese	2018
aluminum	2020
platinum	2025
nickel	2030
iron	2063
chromium	2079

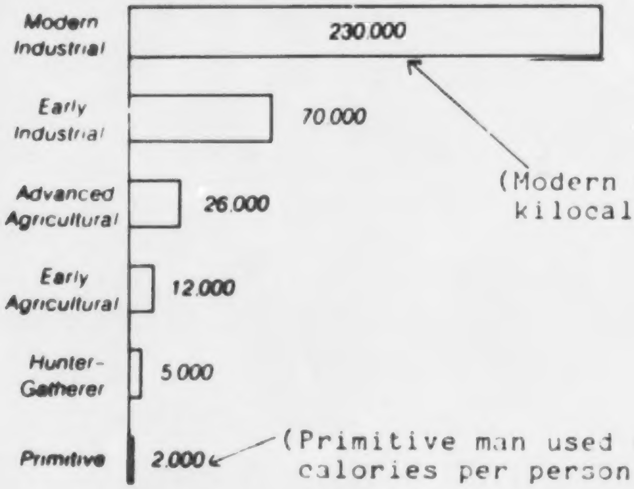
4) **ENERGY.** Have you ever wondered what the energy crisis is all about? Why is everyone trying to save energy? To understand the causes of the energy crisis, we must first look at how we get our energy. Where does it come from and where is it used?

The graph shows the three major steps in the development of new technology by man.


human population
today – a new energy revolution?
(10,000 yr)
industrial revolution
(100,000 yr)
agricultural revolution
(1 million yr)
tool-making revolution
time

During the tool-making revolution, man used his own muscle power. With the agricultural revolution, man learned to use animals to produce power. The industrial revolution marks the time when man learned to use chemical energy stored in such natural resources as coal, oil, and natural gas.

During the years 1970 through 1980, man will have used as much energy as he did for the 100 years between 1870 and 1970. Of the total amount of fossil fuels used by man in all history, most of it has been used in the past 30 years. Look at the graph. It shows how our energy use has increased since early man.



(Modern man uses about 230,000 kilocalories per person per day.)

(Primitive man used only about 2,000 kilocalories per person per day.)

We can look around us and see many benefits that have been made possible by the industrial revolution. Almost everything we use each day has been made available to us through the use of these fuels for our energy. Some of the problems that came from our use of these materials are just now appearing. Our problem with energy is really **two** problems. First, we must find enough fuel to provide the energy we need. Secondly, we must choose a fuel that will not destroy our environment.

Where does our energy come from? Most of our energy today comes from fossil fuels. Fossil fuels are materials used to produce power that is formed from materials that were once alive. These fuels are formed from the chemical reactions that take place within many layers of dead plants and animals. It takes hundreds of millions of years to form these fuels in the ground. In the past 50 years, we have used these fuels in the ground. In the past 50 years, we have used these fuels at a very fast rate. Because of this, the supply of fuels is low. We already depend upon other countries to supply us with our needs. (The **energy crisis** is the word used to describe this situation.)

The types of fossil fuels we use have changed since the beginning of the Industrial Revolution. At first, our main source of energy came from burning wood. By 1900 the main source of energy in the U.S. was coal. By 1950 the U.S. was using more oil and natural gas than any other fuel. The graphs show how our demand for different fuels has changed.

ACTIVITY 5

Answer as many of these questions as you can. Write the answers in the Student Response Booklet.

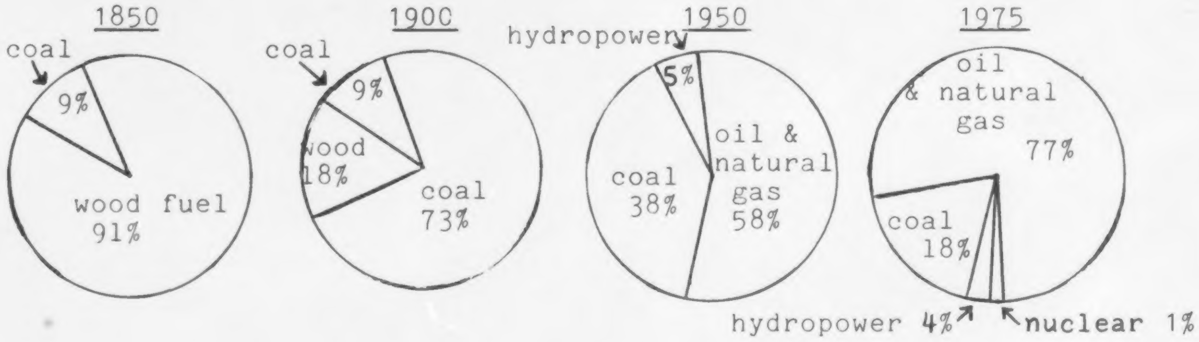
1) What type of fuel do you use to heat your home today?
2) What type of fuel was used in your childhood home?
3) What type of fuel was used in your mother's childhood home?
4) What type of fuel was used in your grandmother's childhood home?

CONSERVATION. Probably one of the best ways to help solve our energy problems is through conservation. We must learn to use less energy. As individuals, we each owe it to ourselves and future generations to make an effort to conserve the resources of our country.

ACTIVITY 6

The following pages contain a list of ways to save energy. Read through the list. Then make two lists for your use.

List 1: What ways do you now use to save on energy?



List 2: What ways can you add to this list to save energy in the future?

Write your lists in the Student Response Booklet.

Insulation:

Ceiling — minimum 6-inch mineral wool.

Walls — minimum 4-inch mineral wool.

Crawl space — 2-inch mineral wool.

Window

Install storm windows.

Double glazing.

Cover with plastic.

Utilize Winter Sun

South and west window exposures are best for living areas.

Protect House from Winter Wind

Plant or build a windbreak.

Design house for maximum protection.

Protect entrance.

Seal Air Leaks

Weatherstrip doors and windows.

Caulk cracks.

Seal unused doors.

Protect House from Summer Sun

Plant trees.

Use awnings.

Utilize Breezes for Cooling

Open windows.

Close during mid-day.

Temperature Control

Reduce heat in winter.

Set air-conditioning unit to recirculate cool air.

Summer air-conditioning 78° or higher.

Reduce nighttime winter temperatures 5°-8° or more.

Use fans for cooling when outside temperature is below house temperature.

Maintain heating and cooling equipment.

Keep air filters clean.

Close off unused rooms.

Use exhaust fans only when necessary.

Install an exhaust fan to remove hot air.

Shade windows in summer.

Open draperies and roll up shades to receive sun's heat in winter.

Close flue when fireplace is not in use.

Select an energy efficient air-conditioning unit.

Repair leaks and insulate heating and cooling ducts.

Reduce heating and cooling temperatures when away from home.

Lighting

Turn off unnecessary lights.

Reduce lighting levels.

Use bulbs with lower wattage in halls.

Use light colors.

Do tasks which require a high light level during the daylight hours.

Keep lighting fixtures clean.

Use fluorescent lighting.

Use timers to turn lights on in the evenings when no one is home.

Heating Water

Reduce water used.

Insulate long hot water pipes, especially those under the house.

Repair leaky faucets.

Maintain 140° F. on water heater.

Cleaning and Maintenance

Empty or replace vacuum cleaner bag frequently.

Eliminate unnecessary vacuuming.

Use hand equipment when practical.

Develop preventative maintenance practices.

Cooking and Baking

Use oven to capacity.

Use cooking utensils which fit the electric unit.

Use tight-fitting lids.

Reduce heat to maintain cooking temperature.

Use small appliances for cooking, baking, and toasting.

Preheat oven only when necessary.

Turn off oven, surface units, or burners when food is cooked.

Laundry

Wash full loads.

Use heated water in only the washing cycle.

Use water no hotter than necessary for adequate soil removal.

Use good laundry techniques.

Avoid over drying.

Line dry garments.

Use the dryer efficiently.

Remove items when dryer stops to avoid wrinkling.

Reduce ironing.

Refrigerator and Freezer

Avoid opening door or holding it open unnecessarily.

Keep grills and evaporator coils clean.

Locate away from a heat source.

Defrost as needed.

If cold air is leaking, have door adjusted or gasket replaced.

Turn off, empty, clean and leave refrigerator door open when taking an extended vacation.

Dishwashing

Hold until the dishwasher is filled.

Avoid wasting hot water by letting it run.

Personal Care

Minimize hot water used in bathing.

Do not leave water running.

Turn off faucets promptly.

Recreation and Entertainment

Turn off TV, radio or stereo when no one is watching or listening.

Disconnect instant-on TV when you are not going to be using it.

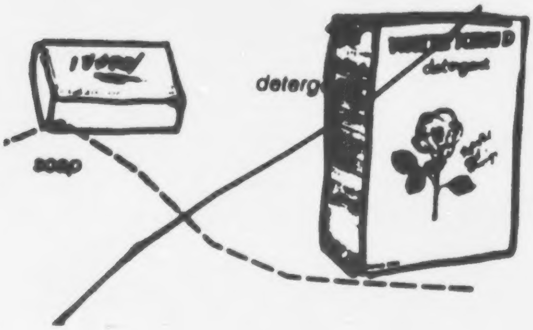
Use shop or hobby equipment efficiently.

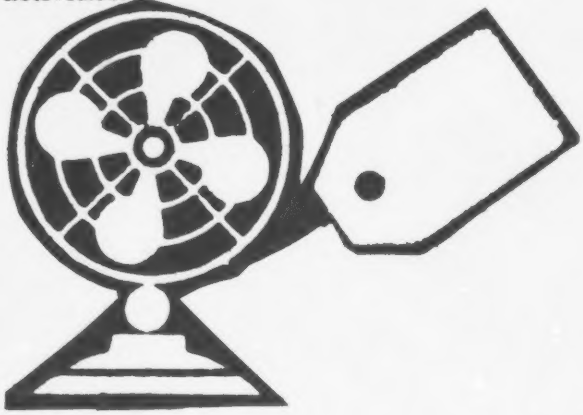
Maintain tools in good operation condition.

Develop leisure activities that have low energy costs.

Spend vacations closer to home.

Encourage home and neighborhood activities.





The Family Automobile

Drive at a moderate speed.

Drive smoothly.

Don't warm up the car for more than a minute or two.

Provide proper maintenance.

Combine errands by planning.

Carpool whenever possible.

Other Transportation

Walk, ride a bicycle, or use public transportation whenever possible.

Travel only when necessary.

STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20
CONSERVATION OF RESOURCES
(Part 2 Level II)

NAME ______________________________

DATE ____________________

ACTIVITY 1

Match each word with the correct meaning.

renewable resources	materials that occur naturally and are available for use by man
ecosphere	the methods used to provide objects for man's use
natural resources	resources that can be reproduced in a short time
non-renewable resources	the building of cities
hydrologic cycle	resources that cannot be replaced
meltdown	the process of taking salt out of sea water
fixed resource	the cycle of water through the ecosphere
desalination	the amount we have of the resource will never change
energy crisis	the air, water, and land in which all life is found
recycling	the process of using resources over again
technology	our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy
urbanization	what would happen if the cooling system of a nuclear reactor failed

ACTIVITY 2

List the 3 resources that you think are most important.

1.
2.
3.

ACTIVITY 3

Make your list here.

ACTIVITY 4

Why do you think the U.S. uses more metal and mineral resources per person than any other country in the world?

____

____

____

____

ACTIVITY 5

1) What type of fuel do you use to heat your home today? ______________
2) What type of fuel was used in your childhood home? ______________
3) What type of fuel was used in your mother's childhood home? ______________
4) What type of fuel was used in your grandmother's childhood home? ______________

ACTIVITY 6

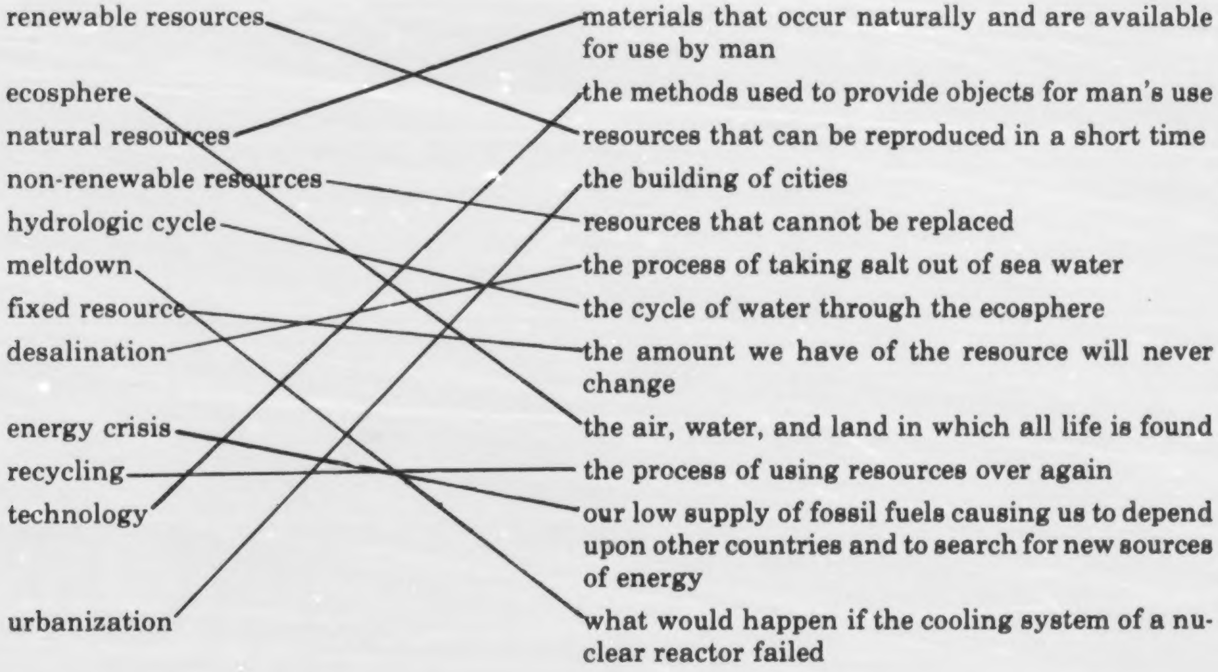
What ways do you now use to save on energy?	What ways can you add to this list to save energy in the future?

ANSWER KEY

NATURAL RESOURCES - Level II Part 2

ACTIVITY 1

Match each word with the correct meaning.



renewable resources	materials that occur naturally and are available for use by man
ecosphere	the methods used to provide objects for man's use
natural resources	resources that can be reproduced in a short time
non-renewable resources	the building of cities
hydrologic cycle	resources that cannot be replaced
meltdown	the process of taking salt out of sea water
fixed resource	the cycle of water through the ecosphere
desalination	the amount we have of the resource will never change
energy crisis	the air, water, and land in which all life is found
recycling	the process of using resources over again
technology	our low supply of fossil fuels causing us to depend upon other countries and to search for new sources of energy
urbanization	what would happen if the cooling system of a nuclear reactor failed

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Answers will vary.

ACTIVITY 4

Answers will vary.

ACTIVITY 5

Answers will vary.

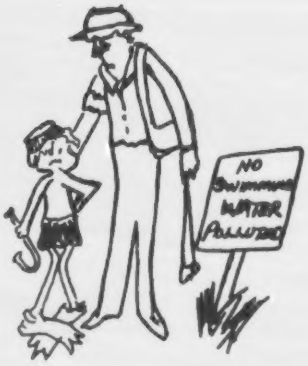
ACTIVITY 6

Answers will vary.

PART 3 - ECOLOGY

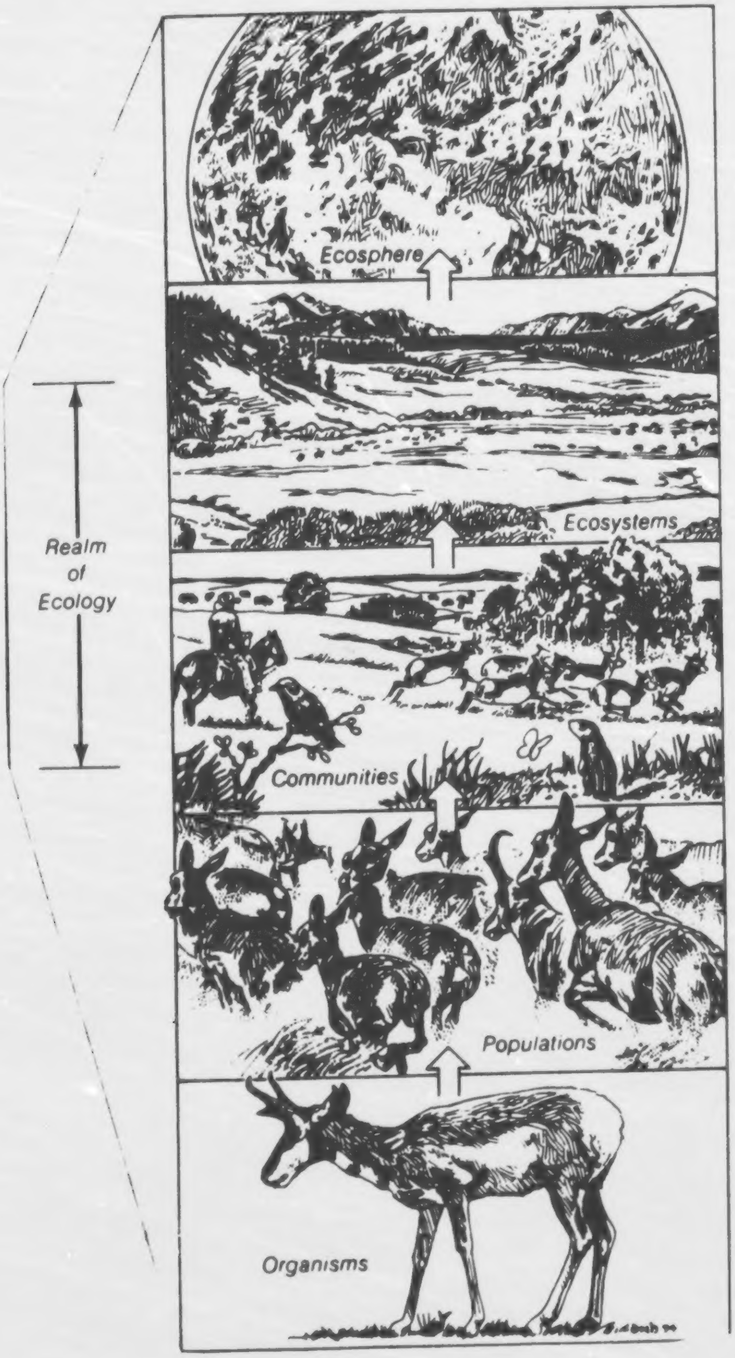
To the student . . .

In this section we will discuss how nature works to create a balance between all living things. We will then look at the way man has affected this balance. We will look at some of the problems man has caused for himself and other life around him. We will also find out about some of the solutions to these problems.



Ecology: The study of living things in the places where they live.

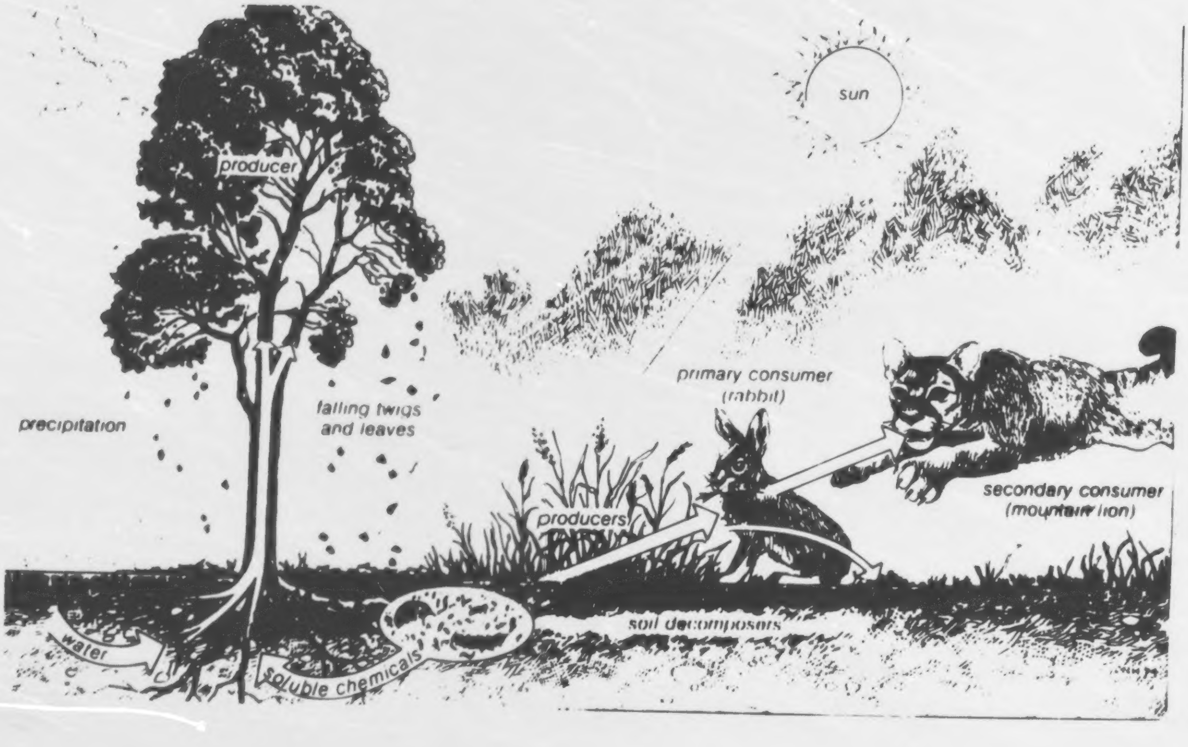
Look at the chart below. It shows that an ecologist is interested in th ecosphere, ecosystems, communities, populations, and the single organism.


Ecosphere
Ecosystems
Realm of Ecology
Communities
Populations
Organisms

The goal of ecology is to find out how everything in the ecosphere is connected. The **ecosphere** includes the air, water, and land of earth. When we talk about an ecosystem, we are talking about a small section of the ecosphere and all living and non-living material within that section. The basic parts of any ecosystem are:

1) Solar energy — (from the sun)
2) Producers — (this includes all green plants and some bacteria)
3) Consumers — (this includes all animals)
4) Decomposers — (this is fungi and some bacteria)
5) Nutrients and Chemicals

The picture below shows you these 5 basic parts.


sun
producer
precipitation
falling twigs and leaves
primary consumer (rabbit)
secondary consumer (mountain lion)
producers
water
soluble chemicals
soil decomposers

The way these 5 basic parts of any ecosystem keep a check on each other is usually called the "balance of nature." This means that our environment, if left alone, will control itself. If there is too much of one thing, then nature will produce a way to bring numbers back in balance with all other things. Up until the Industrial Revolution, man was not able to change the balance of nature very much. However, today man has deveoped the power to make great changes in this balance. Sometimes these changes have been so great that nature has not been able to restore a balance to our environment.

Your **environment** includes all things and life around you. The air you breathe, the water you drink, the ground you walk on, and all other life around you. Man's control of his environment was very low millions of years ago. As man found new ways to use different resources and new sources of energy, his ability to control his environment increased.

Examples of the ways man has learned to control his environment include:

1) The development of fertilizers to increase the amount of food that can be grown.
2) The building of dams to stop floods and produce energy in the form of hydropower.

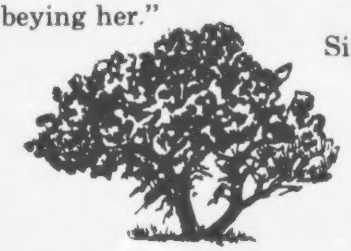
Man has always known that he depended on certain things to stay alive. Man has sometimes failed to see the connection between the things he needs to survive and the things he "thinks" he does not need. He has sometimes destroyed things and felt that this would never affect him. In the past, people felt that more control over the environment meant a better way of life for us. We are just now realizing that this may not be completely true!

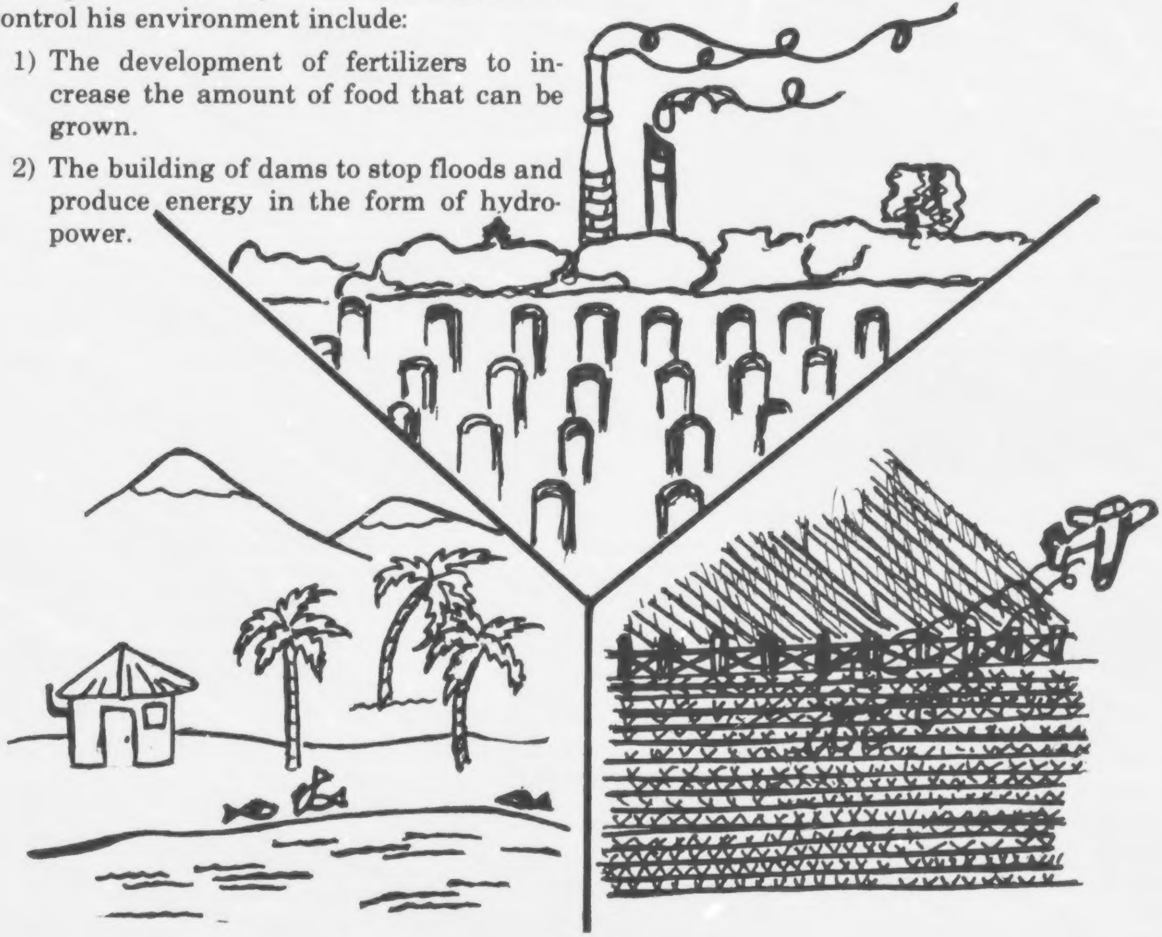
ACTIVITY 1

Read the following quotation. Write a few sentences about what you think it means.

"We cannot command nature except by obeying her."

Sir Francis Bacon

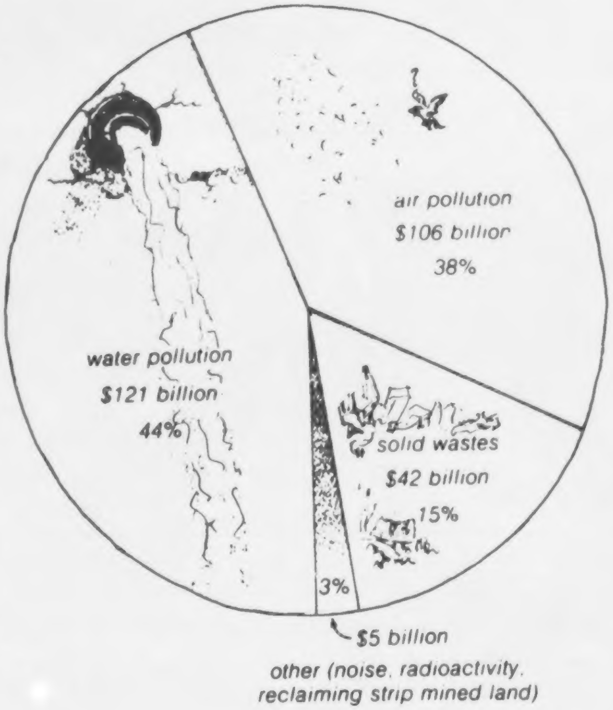




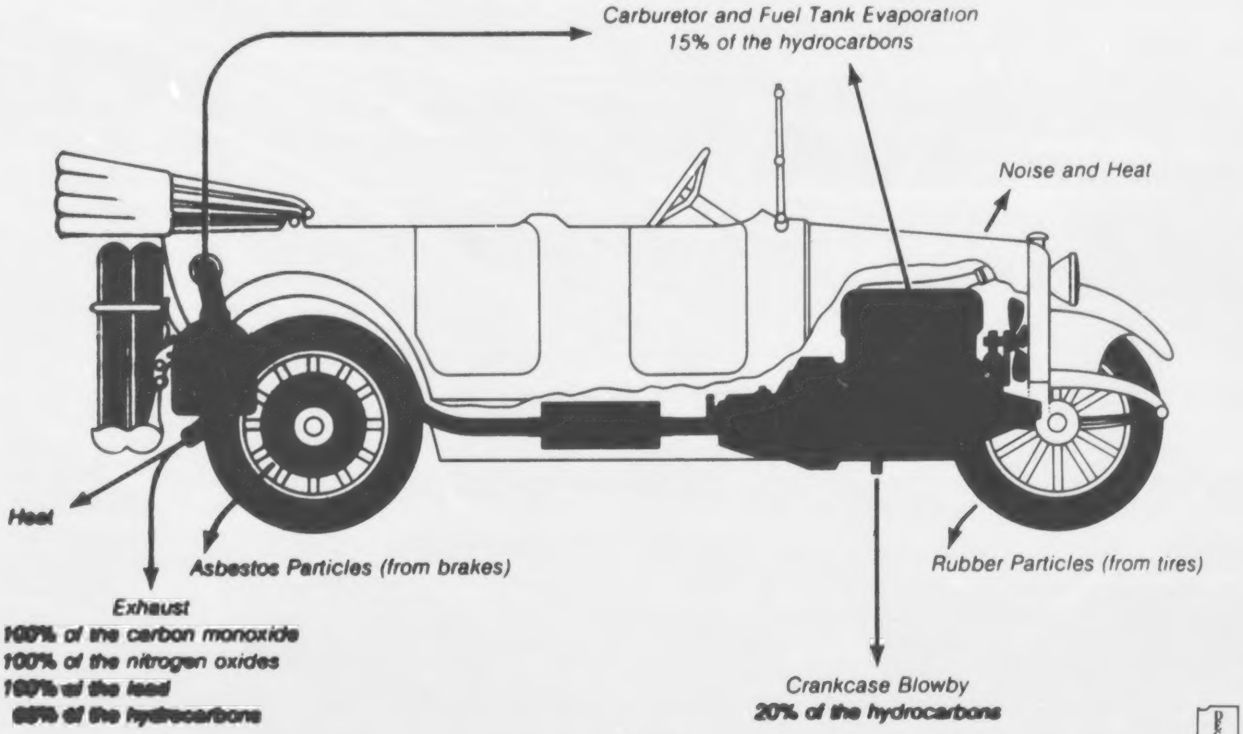
Now that we have a good idea man is causing the trouble, let's look at some of the problems he has caused. **Pollution** is the adding of something to the air, water, or soil in a large enough quantity that it can make the air, water or soil unsafe for use by man or any other forms of life. In this section we will look at our present pollution problems. The three types of pollution we will be studying are air, water, and land pollution.

The government spends a lot of your tax money to help fight pollution. Even so, more and more will be spent in the future if we ever expect to clean up our environment. Along with the money spent by the government, private businesses also spend money to fight pollution.

The picture below shows the estimated amount that will be spent to fight pollution between 1972 and 1982. The amounts shown are for private businesses and government combined.



The number one source of pollution is transportation. Our country is a country on the move. To move takes energy. To obtain energy some type of fuel must be burned. Unfortunately, all of the fuel burned in any system is not changed into motion. Some is given off as exhaust heat. It is in this exhaust heat that our pollution problems start. There are so many cars on the road that they are one of our top sources of air pollution.


Carburetor and Fuel Tank Evaporation
15% of the hydrocarbons
Noise and Heat
Heat
Asbestos Particles (from brakes)
Rubber Particles (from tires)
Exhaust
100% of the carbon monoxide
100% of the nitrogen oxides
100% of the lead
65% of the hydrocarbons
Crankcase Blowby
20% of the hydrocarbons

This picture shows the pollution from an uncontrolled automobile. It is because of these pollutants that the government has put restrictions on engines and types of gasoline to be used.

Industry is another source of air pollution. Power plants and industry release huge amounts of pollutants into our air daily. This picture shows the amounts of certain pollutants released by the average power plant daily.

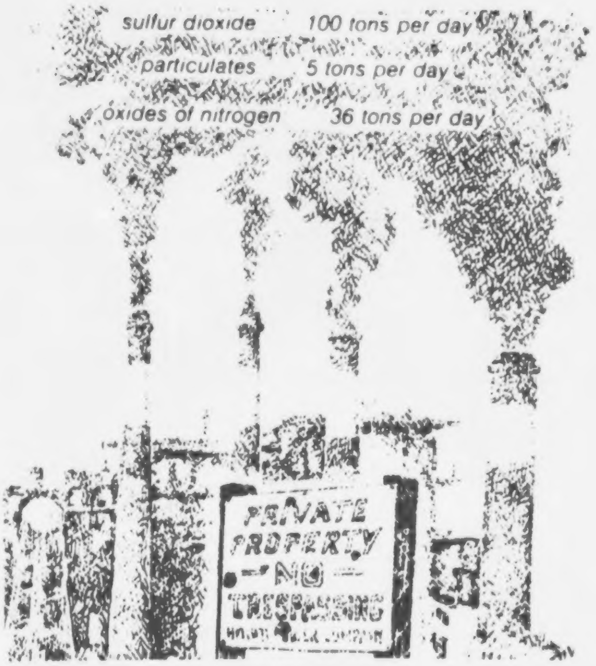
The plant in the picture burns coal as its fuel. Some plants are trying to convert of gasification of coal for their fuel source, but this process is not available on a large scale as yet. Experts are not sure if the process would produce the amount of energy we need for the elctricity we need.

BROWN AIR CITIES. When a city is polluted mostly by the pollutants that come from cars, the air within the city seems to have a brown haze to it. We call these cities brown air cities. An example of a brown air city is Los Angeles. Most of the pollution in Los Angeles comes from cars.

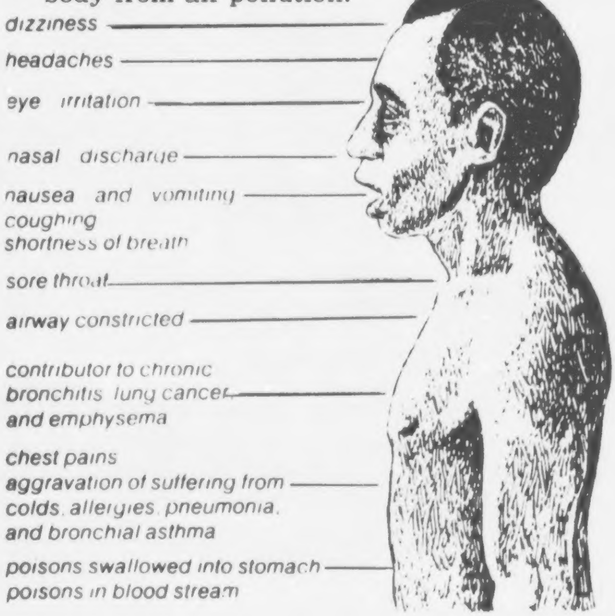
GRAY AIR CITIES. When a city is polluted mostly by the pollutants that come from industry and power plants, the air within the city seems to have a gray haze to it. We call these cities gray air cities. An example of a gray air city is Chicago. Most of the pollution in Chicago comes from industry.

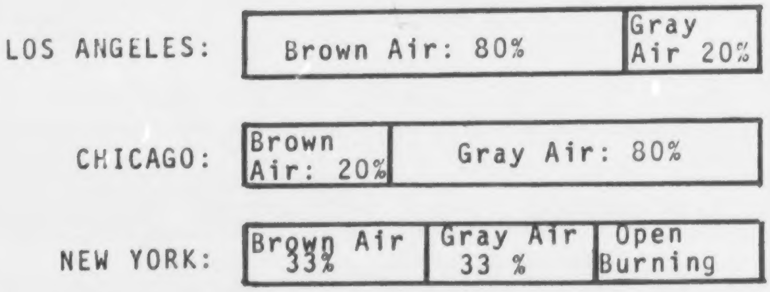
GRAY/BROWN AIR CITIES. These are cities that have an equal amount of pollution from both cars and industry. An example of one of these cities is New York.

Look at the figures in the chart.


sulfur dioxide 100 tons per day
particulates 5 tons per day
oxides of nitrogen 36 tons per day
PRIVATE PROPERTY
NO
TRESPASSING

EFFECTS OF POLLUTION. This picture shows some of the possible effects on your body from air pollution.


dizziness
headaches
eye irritation
nasal discharge
nausea and vomiting
coughing
shortness of breath
sore throat
airway constricted
contributor to chronic bronchitis lung cancer and emphysema
chest pains
aggravation of suffering from colds, allergies, pneumonia, and bronchial asthma
poisons swallowed into stomach
poisons in blood stream



470

Along with the effects on our health and the health of other animals, pollution can also cause

1) disease and destruction of plants.
2) corrosion of materials.
3) soiling of materials.
4) changes in our climate.

What can you do to cut air pollution?

We all know that we cannot exist without air. The average person breathes about 35 pounds of air each day. Look at the list of some of the things you can do to make it possible for us all to breathe easier.

- Walk when you can.
- Use buses and trains.
- Join a car pool.
- Drive a smaller car.
- Observe the speed limits.
- Ride a bike.
- Buy gasoline with the least amount of lead and the lowest octane level.
- See that the pollution controls on your car are doing their job. Have the emission checked by a service station.
- Turn off lights, radio, and TV when not in use.
- Don't burn leaves or trash.
- Buy unpackaged foods and liquids in returnable containers.
- Reuse and recycle what you can.
- Set thermostat at a business establishment at 65° and 68° in your home.
- Turn the heat down at night.
- Insulate your house if needed.
- Read about the candidates you vote for. Know which ones support clean air movements.
- Write letters if you know of a problem in your area.

ACTIVITY 2

Look at the list again. Choose the five things that you feel are most important. Write the list in your Student Response Booklet.

WATER POLLUTION. Fifty years ago the U.S. had outbreaks of typhoid, cholera, and other diseases that came from the water. Better treatment of sewage and drinking water have done away with most of these diseases. Today, Americans usually take clean drinking water for granted. We have the feeling that it is free, unlimited, and clean. However, like air, water can become polluted!

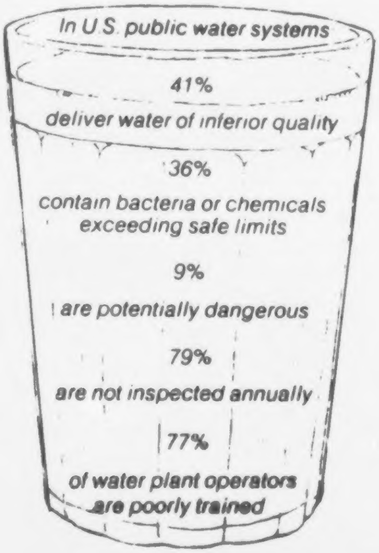
Between 1961 and 1973, 22 people died and nearly 55,000 became ill from contaminated drinking water. **Contamination** means "not pure" or something added that is not clean.

The 5 major sources of pollutants to water are:

1) Industry & Power Plants add mostly
    a) chemicals.
    b) heavy metals.
    c) thermal pollution.
2) Agriculture adds mostly
    a) chemicals.
    b) pesticides.
    c) nutrients.
3) Sewage wastes add mostly
    a) nutrients.
    b) dissolved salts.
4) Mining adds mostly
    a) sediments.
    b) heavy metals.
    c) acids.
5) Construction adds mostly
    a) sediments.
    b) heavy metals.

What can you do?

- Don't use colored tissue, paper, or napkins.
- Keep oil and other products from leaking out of your car.
- Try to consume less electrical power at home, school, or office.
- Consider alternatives before using chemical poisons.
- Find out about your local sewage disposal plant. Ask questions and support improvements.



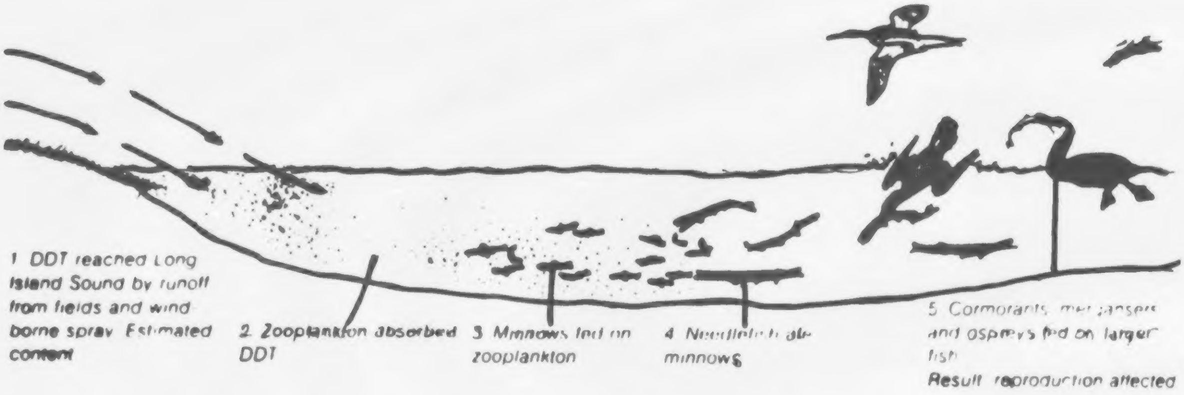
This picture shows the results of a survey taken in 1971 of public water systems.

REMEMBER . . . Clean water is necessary to live, do what you can to keep some around!

LAND POLLUTION

Pesticides. One of the most serious forms of land pollution comes from our use of pesticides. Unlike most other pollutants, pesticides are introduced deliberately into our environment. They are used to increase our food production. With our growing population it is easy to see why we need to increase food production. Let's look at what pesticides do to our environment.

Did you know that DDT has been found in penguins in the Antarctic? These animals were never directly in contact with the DDT. Pesticides can be transported by air and water. Some pesticides do not break down easily. Instead they stay in the air, water, and land for long periods of time. They can move up the food chain as shown in the picture.


1 DDT reached Long Island Sound by runoff from fields and wind borne spray Estimated content
2 Zooplankton absorbed DDT
3 Minnows fed on zooplankton
4 Needlefish ate minnows
5 Cormorants, mergansers and ospreys fed on larger fish
Result reproduction affected

Pesticides can cause problems in fish, birds, or other animals. If man eats any of these animals, he too will be affected. Some of the damage that may result from exposure to pesticides include:

1) damage to central nervous system
2) damage to respiratory tract
3) damage to digestive tract
4) damage to skin or eyes
5) damage to reproduction process

Man has realized some of the immediate effects of pesticides. However, it may be some time before man learns all of the long-range effects caused by his use of pesticides.

NOISE POLLUTION

Noise is often overlooked as a pollutant. The roar of airplanes, machinery, appliances, and automobiles has often been considered to be the "sounds of progress."

Continued exposure to loud noises can cause hearing loss. About 16 million Americans suffer some hearing loss as a result of noise pollution.

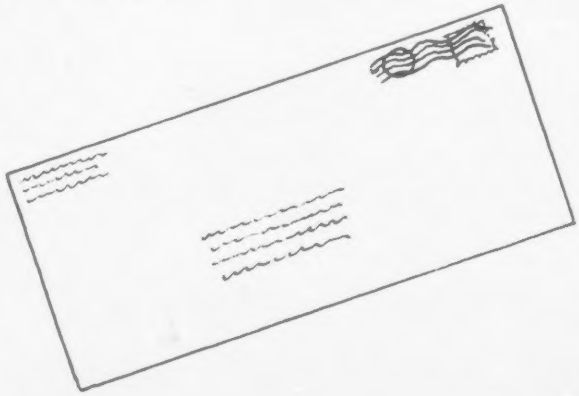
High noise levels can also:

1) affect work performance
2) cause accidents
3) disturb sleep
4) interrupt conversation
5) interrupt concentration
6) affect the nerves (stress can lead to ulcers or heart disease)

Americans sometimes seem to have accepted noise and adjusted to it without trying to find ways to control it.

HOW YOU CAN MAKE A DIFFERENCE. If you are concerned about the problems studied in this unit, there is someone you can tell. Your state and local senators and congressmen are anxious to hear how you feel.

People often feel that writing just one letter will never change anything. They think their letter will never make a difference so why should they bother to write it. There are probably thousands of people who feel the same way about the same problem. What do you think would happen if each of them decided to write their letter? Your elected officials would soon know that something should be done about the problem. As a matter of fact, this is almost the only way your representatives have to find out how people feel. They do want to know how you feel, and they will answer!!



STUDENT RESPONSE BOOKLET

CONSUMER ECONOMICS - 20
ECOLOGY
(Level II Part 3)

NAME ______________________________

DATE ________________

ACTIVITY 1

What does the quotation mean?

ACTIVITY 2

Look at the list again. List 5 things you feel are most important.

1.
2.
3.
4.
5.

ANSWER KEY

ECOLOGY (Level II Part 3)

ACTIVITY 1

Answers will vary.

ACTIVITY 2

Answers will vary.

CE-21: MAIL AND PACKAGE DELIVERY

TEACHER'S GUIDE

PERFORMANCE OBJECTIVE:

Upon completion of this Student Activity/Task Packet the adult learner will be aware of the variety of mail and package delivery services and will be able to use them.

INTRODUCTION:

This packet is divided into two parts. The first part covers the services, rates, and regulations of the U.S. Postage Service. The second part explains other delivery options including United Parcel Systems, trucking, cartage and air freight.

ADAPTABILITY:

This packet is easily adaptable for use with the following methods of instruction: individualized, one-to-one tutorial, buddy system, and group work.

READING LEVEL:

The student should experience success with this packet if he/she reads at Level I, Phase II.

MATHEMATICAL SKILLS:

The student should have a basic knowledge of addition and subtraction, weights and measures, and chart reading.

PRE/POST TEST:

There is no Pre/Post Test. This packet should be of interest to most students.

ADDITIONAL MATERIALS NEEDED:

Zip Code Directory (Available from the local post office)

Domestic Postal Rates, Fees, and Information (Pamphlet available from the post office)

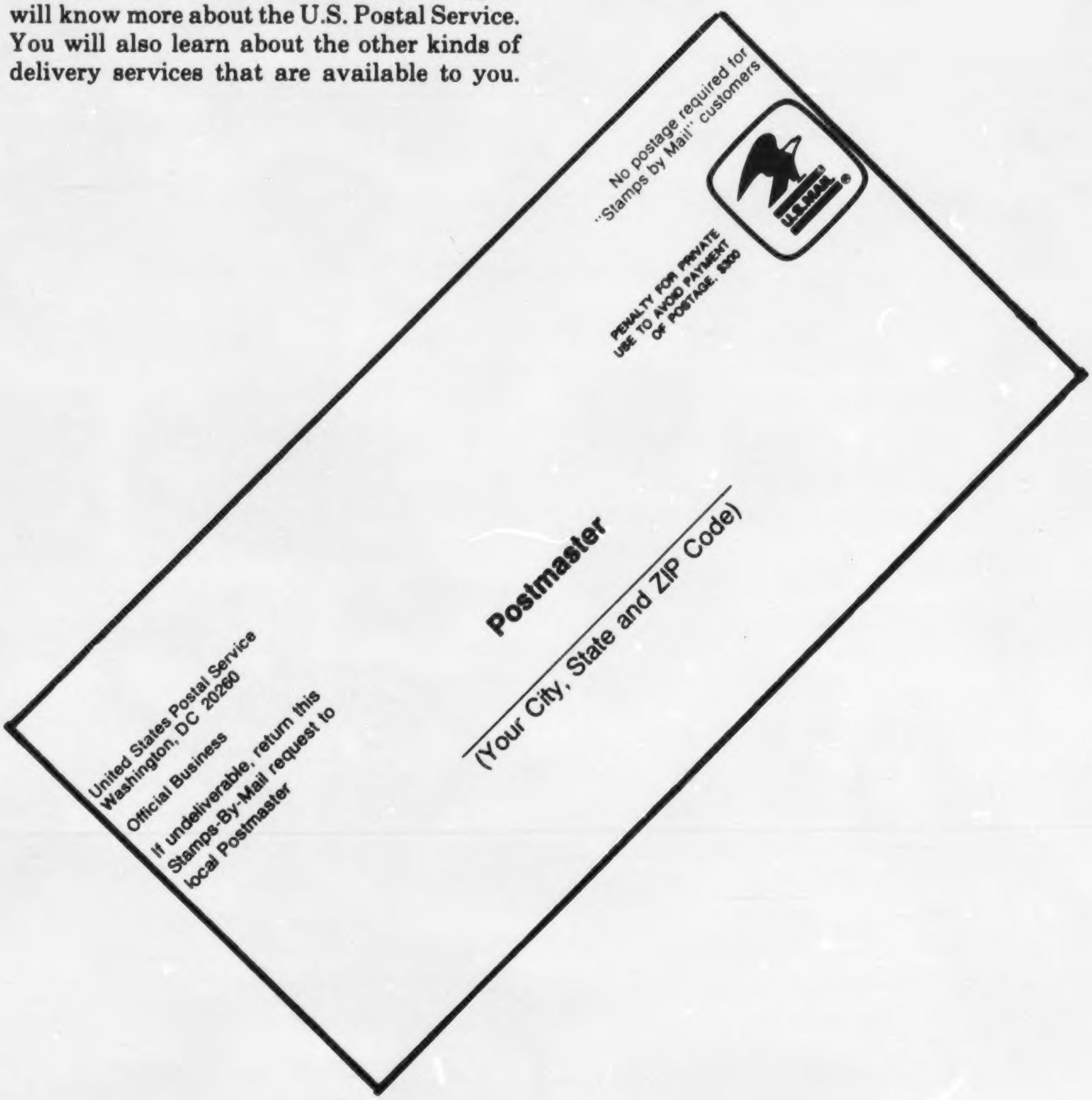
Phone books

SKILLS OBJECTIVES:

- Reading
    - Develops vocabulary
    - Obtains information
    - Recognizes symbols and abbreviations
    - Notes details
    - Interprets charts and tables
    - Follows directions
    - Develops alphabetizing skills
- Writing
    - Fills out forms
    - Addresses envelopes and labels
    - Makes list
- Speaking, Listening, Viewing
    - Exchanges information
    - Clarifies issues
    - Derives personal relevance
- Problem Solving
    - Defines the problem
    - Obtains information
    - Examines constraints
    - Plans alternative strategies
    - Determines plan of action
- Interpersonal Relations
    - Interacts with others
    - Explains needs and preferences
    - Pinpoints potential conflicts
- Computation
    - Adds
    - Subtracts
    - Multiplies

To the student . . .

When you have finished this SAT Packet, you will know more about the U.S. Postal Service. You will also learn about the other kinds of delivery services that are available to you.

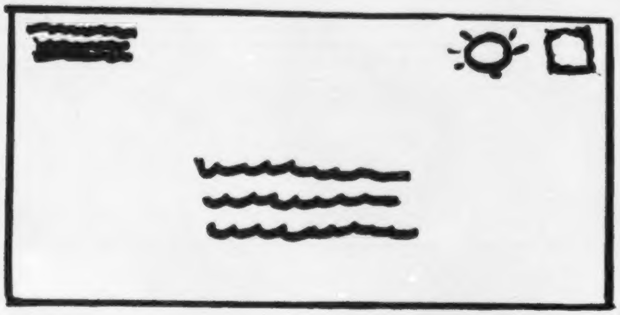

No postage required for
"Stamps by Mail" customers
U.S. MAIL
PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, $300
Postmaster
(Your City, State and ZIP Code)
United States Postal Service
Washington, DC 20260
Official Business
If undeliverable, return this
Stamps-By-Mail request to
local Postmaster

TYPES OF MAIL. There are many different types of mail.

First Class Mail:
Any type of mail weighing 13 ounces or less may be sent by first class mail. The following things are always mailed first class if the weight is 13 ounces or less.

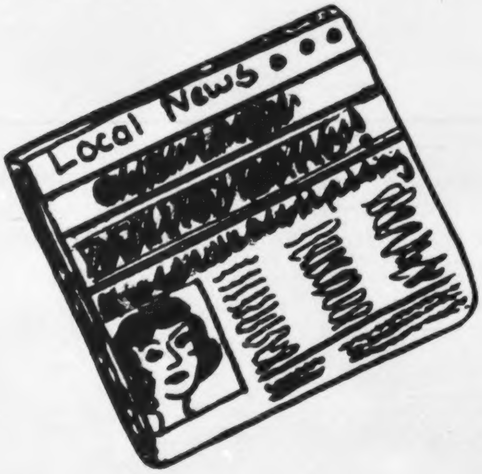
1) handwritten or typewritten letters
2) bills
3) post cards
4) printed forms filled out in writing

Most of the mail you send will be sent first class.



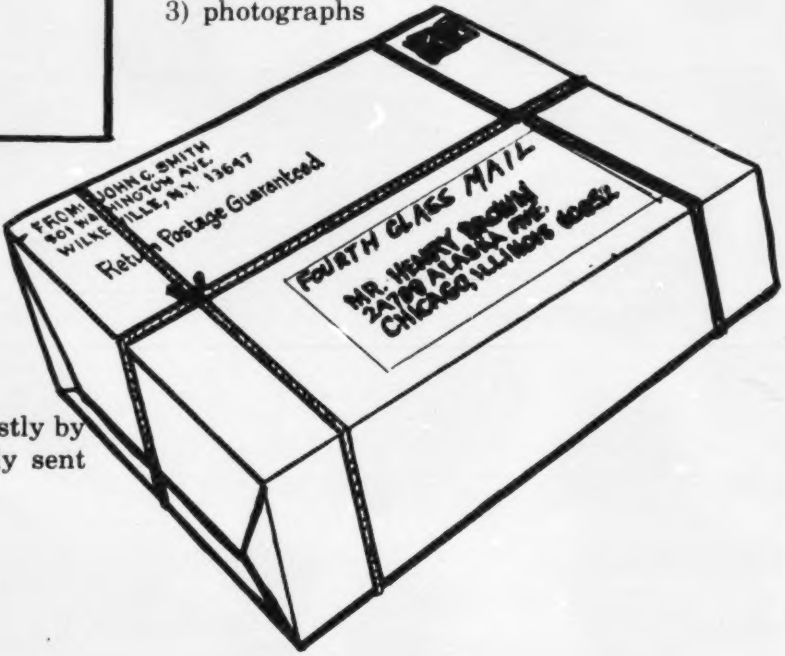
Second Class Mail:
This type of mail delivery is used mostly by businesses. The following are usually sent second class.

1) newspapers
2) magazines



Third Class Mail:
This type of mail can be no heavier than 16 ounces. It is not sent in a sealed envelope. The following are examples of third class mail.

1) catalogs
2) booklets
3) photographs


FROM: JOHN C. SMITH
501 WA HINGTON AVE.
WILKE VILLE, N.Y. 13647
Retu Postage Guaranteed
FOURTH CLASS MAIL
MR. HENRY BROWN
CHICAGO, ILLINOIS

Fourth Class Mail:
Anything you mail weighing over 16 ounces should be sent fourth class. This is called Parcel Post. The cost for Parcel Post is determined by the weight of the package. Most packages must be handled several times before they are delivered. Packages should be strong enough to protect the contents.

ACTIVITY 1

Answer the following questions. Write your answers in the Student Response Booklet. Circle the right answer.

1) A sealed letter is sent by:
   a. first class mail
   b. second class mail
   c. third class mail
   d. fourth class mail

2) Parcel Post is the same as:
   a. first class mail
   b. second class mail
   c. third class mail
   d. fourth class mail

3) Third Class Mail is:
   a. sent in a sealed envelope
   b. sent in an envelope that is not sealed

4) The cost for mailing something by parcel post is determined by:
   a. the size of the package
   b. the weight of the package
   c. the way the package is wrapped

Match the following with the correct name. Write your answers in the Student Response Booklet.

5) first class mail	a. A newspaper or magazine sent by a business in an unsealed envelope.
6) second class mail	b. A package that weighs over 16 ounces.
7) third class mail	c. It weighs less than 13 ounces and is sent in a sealed envelope.
8) fourth class mail	d. Items weighing 15 ounces and mailed in unsealed envelope.

Check your answers with the Answer Key on the last page of the packet.

SPECIAL SERVICES. Listed here are some special services that you can purchase at the time you mail an item. This indicates how you want the item handled or delivered.

Registered Mail:

This is the safest way. Only first class mail can be registered. When you register mail, insurance is included. You must tell the post office the value of the item you are mailing. Registered first class mail may be insured for up to $10,000.

Insured Mail:

You may insure third and fourth class mail. You will be paid back if the item is lost or damaged in the mail. To insure your mail, you must tell the post office the value of the item. The more valuable an item is, the more the insurance will cost. So you will be paid more if it is lost or damaged.

Certified Mail:

If your mail is certified, you will be given a receipt. There is no insurance coverage for certified mail. You may certify only first class mail. You would use this method if you want proof that you mailed the item.

Return Receipts:

A return receipt is proof to you that your mail has been delivered. If you want this proof, you must tell the post office when you mail the item. This receipt will be sent to you in the mail after the item has been delivered. You can get a return receipt on the following.

1) insured mail that is valued over $15
2) certified mail
3) registered mail
4) C.O.D. mail

Collect on Delivery:

You can mail an item for which you have not been paid. If it is mailed C.O.D. the cost will be collected by the postman when the item is delivered. This money will be sent to you by a postal money order later. The amount cannot be over $300.

If you receive a package marked "C.O.D." you must pay the postman for the item at the time you receive it. The letters C.O.D. mean "Collect on Delivery."

Special Delivery:
A special delivery item will be sent in the fastest available way. It will be delivered directly to the person. You should not use special delivery if:

1) the package is addressed to someone on a rural route
2) the package might arrive at an office when it is closed for the weekend
3) the package is sent to a post office box number — Example: P.O. Box 222

Special Delivery is most often used by businesses.

Special Handling:
Special handling fees must be paid on all packages that require special treatment. Any small, live animal that must be carried outside a mailbag requires special handling. You must pay for this at the time of mailing.

ACTIVITY 2

Complete the forms for a return receipt. You will find them in the Student Response Booklet.

ACTIVITY 3

Directions: Match the following terms with the correct meaning. Write the answers in the Student Response Booklet.

1) registered mail	a) you will be paid a certain amount if an item is lost or damaged
2) insured mail	b) proof that an item was delivered
3) certified mail	c) to be paid for upon delivery
4) return receipt	d) the safest way to send first class mail
5) C.O.D. mail	e) proof that you mailed an article

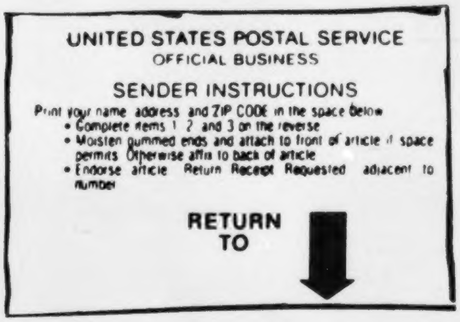
When you have finished, check your work with the Answer Key.

HOW MUCH WILL IT COST? The cost for mailing a letter or package is determined by the weight. If you mail an item at the post office, you pay for it in cash. The P.O. will weigh the item and determine the cost. If a letter or package is small enough to fit into a mail box, stamps can be used to pay the cost. Any item that is dropped into a mail box must be no bigger than 6½ inches wide and 11½ inches long. It cannot be more than ¼ inches thick.

ACTIVITY 4

You will need the phone book for this activity. Find the number of the U.S. Postal Service. Write the address and phone number of the office nearest you. Write this in the Student Response Booklet.

CASH. Most packages you mail will be too large to be mailed in a mail box. They must be taken to the P.O. You will pay the cost of mailing in cash. You should be familiar with how the cost of mail is determined. Ask your teacher for the pamphlet called: **Domestic Postage Rates, Fees, and Information.** Read the pamphlet. You are then ready for Activity 5.



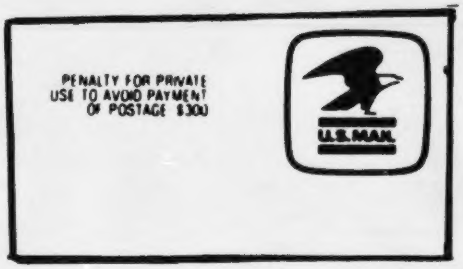
UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name address and ZIP CODE in the space below

- Complete items 1 2 and 3 on the reverse
- Moisten gummed ends and attach to front of article if space permits Otherwise affix to back of article
- Endorse article Return Receipt Requested adjacent to number

RETURN TO



PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE $300

484

ACTIVITY 5

Write the answers in the Student Response Booklet.

1) Look under the heading: **Size Standards for Domestic Mail.**
   a. What is the smallest acceptable size for an item you want to mail
2) Look under the heading: **First Class**
   a. How much will it cost to mail a letter that weighs less than one ounce?
   b. How much will it cost to mail a letter that weighs 3 ounces?
   c. How much does it cost to send a post card?
3) Look under the heading: **Second Class Mail**
   a. How much will it cost to mail a newspaper that weighs 1 ounce?
   b. How much will it cost to mail a newspaper that weighs 3 ounces?
4) Look under the heading: **Third Class Mail**
   a. How much will it cost to mail a photograph that weighs 5 ounces? (Send it third class and don't seal the envelope)
5) Look under the heading: **Priority Mail** (heavy pieces)
   a. A package weighs 6 pounds. How much will it cost to send it to zone 4?
   b. What does it cost to send a 26 pound package to a local zone?
6) Look under the heading: **Special Handling**
   a. What would it cost to send a baby alligator to a friend? It weighs 1½ pounds and is being sent to zone 4. (Don't forget to ask about the special handling fees.)
7) Look under the heading: **Money Orders**
   a. How much will it cost to send a $10.50 money order to a friend?
8) Look under the heading: **Special Delivery**
   a. How much will it cost to send a first class, special delivery letter?
9) Look under the heading: **C.O.D.**
   Describe the process for sending a package C.O.D.
10) Look under the heading: **Certified Mail**
   a. Describe the process for returning an item in the mail that you don't want to keep. The article weighs 10 ounces and should be certified.
11) Look under the heading: **Return Receipts**
   a. How much is the fee for a first class letter weighing 2 ounces? You want a return receipt for the letter. What is the total cost?
12) Look under the heading: **Insurance**
   a. What is the cost for sending a priority mail package that weighs 2 pounds and is being sent to zone 6? (It is being insured for $50.)
   b. How much will the sender be paid if the package is lost or damaged?
   c. What is the total cost for sending the package? List the cost for the insurance and the postage in separate amounts.
13) Look under the heading: **Registry**
   a. How much will it cost to register a first class letter if the letter is worth $100?
14) Look under the heading: **Fourth Class**
   a. How much will it cost to send an insured package to zone 7? (The package weighs 13 pounds.)

WHERE TO GET STAMPS. There are four main ways that you can obtain stamps. They are:

1) At your post office: You may buy stamps one at a time, in sheets, or in book form. Stamps sold at all post offices are sold at their face value. In other words, a 15¢ stamp will cost 15¢.

2) Self-Service Postal Centers: These centers are at many locations throughout the country. They are open round-the-clock. You can mail letters and packages. You can also buy stamps, postcards, envelopes, and small amounts of insurance at these centers. Each center has a direct telephone to the post office if you need more information. The stamps sold at these centers are also sold at face value.

3) Machines: Most of us have seen or used postage stamp machines in drug stores or grocery stores. These machines **do not** sell stamps at face value. Three 15¢ stamps are worth 45¢ but you may pay 50¢ or even more if you get them from these machines. Although these machines always cost more, they are often a quick, easy way to get the stamps you may need.

4) Stamps By Mail: Postage stamps and stamped envelopes may be obtained through the mail by using a specially printed order form available from your post office. A check or money order made payable to POSTMASTER may be used to pay for the stamps.

ACTIVITY 6

One of the ways you can get stamps is through the mail. In your Student Response Booklet, complete the form under Activity 6, ordering a roll of 15¢ stamps.

HOW TO USE STAMPS. Stamps are printed in many different denominations or values. If you drop a letter or package in a mail box, the correct amount of postage must be attached. Different stamps of different values can be placed on your letter or package so that the total value covers the cost of mailing. The amount of postage you should place on your first class letters is as follows:

One ounce or less .... 15¢
(This price will be increased according to postal services)

Each additional ounce .... 13¢

ADDRESSING YOUR MAIL. The Address is the place where your mail is to be delivered. Most addresses contain three lines. If you are sending something to a business or an office, you may need more lines.

Example 1:
Mrs. Mary Jones
222 Main Street
Indianapolis, Indiana 46291

Example 2:
Mrs. Mary Jones
West Central Joint Services
Baker Adult Basic Education Center
8650 West Washington Street
Indianapolis, Indiana 46231

THE ZIP CODE. Always use a zip code on anything you mail. Most of our mail is sorted at post offices by machines. When you don't use a zip code, your mail must be sent to a special place where it is sorted by hand. This slows the delivery of your mail.

IN CARE OF. When you want to send something to someone who is not at their regular address, you can use this sign, c/o. This means, "in care of."

Example:
Mrs. Mary Jones
c/o Mrs. Susie Smith
111 Maple Street
New York, N.Y. 10019

DUAL ADDRESSING. Some businesses use a street address and a box number. The place you want the mail delivered is directly above the City-State-Zip Code line.

Example:

Jones and Johnson Publishers
4000 Main Street
→P.O. Box 1234
New York, N.Y. 10019

Mail will be delivered here

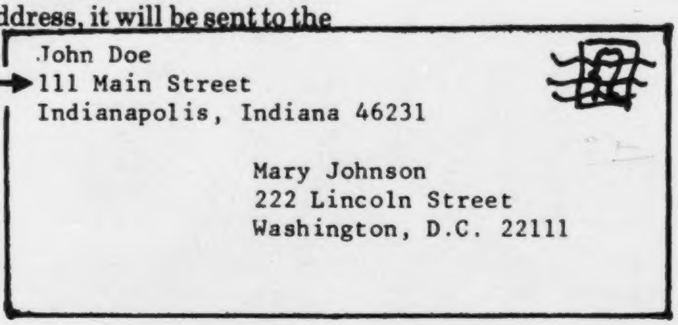
Jones and Johnson Publishers
P.O. Box 1234
→4000 Main Street
New York, N.Y. 10019

Mail will be delivered here

THE RETURN ADDRESS. Always put your return address in the upper lefthand corner of the envelope, or on the back of the envelope. If your mail cannot be delivered and there is no return address, it will be sent to the Dead Letter Office.

Example:

Return address →



John Doe
111 Main Street
Indianapolis, Indiana 46231

Mary Johnson
222 Lincoln Street
Washington, D.C. 22111

ADDRESS CORRECTION REQUESTED. If you mail a letter but the address is outdated, request an address correction. You will be notified of the new address. There is a small fee charged for this service. It must be requested at the post office.

USING ABBREVIATIONS. Look at the lists containing abbreviations. These are common abbreviations for states, roads, streets, and others with which you should be familiar.

Alabama	AL
Alaska	AK
Arizona	AZ
Arkansas	AR
American Samoa	AS
California	CA
Canal Zone	CZ
Colorado	CO
Connecticut	CT
Delaware	DE
District of Columbia	DC
Florida	FL
Georgia	GA
Guam	GU
Hawaii	HI
Idaho	ID
Illinois	IL
Indiana	IN
Iowa	IA
Kansas	KS
Kentucky	KY
Louisiana	LA
Maine	ME
Maryland	MD
Massachusetts	MA
Michigan	MI
Minnesota	MN
Mississippi	MS
Missouri	MO
Montana	MT
Nebraska	NE
Nevada	NV
New Hampshire	NH
New Jersey	NJ
New Mexico	NM
New York	NY
North Carolina	NC
North Dakota	ND
Ohio	OH
Oklahoma	OK
Oregon	OR
Pennsylvania	PA
Puerto Rico	PR
Rhode Island	RI
South Carolina	SC
South Dakota	SD
Tennessee	TN
Trust Territories	TT
Texas	TX
Utah	UT
Vermont	VT
Virginia	VA
Virgin Islands	VI
Washington	WA
West Virginia	WV
Wisconsin	WI
Wyoming	WY

C.O.D.
ct.
lb.
oz.
P.O.
P.O. Box
Rd.
R.D. #1 or R.R. #1
Rte.
St.
U.P.S.
wt.

ACTIVITY 7

Address an envelope to your adult basic education teacher. You will find a form in the Student Response Booklet.

ACTIVITY 8

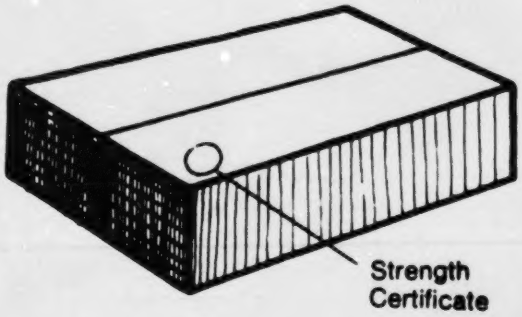
Address an envelope to your local telephone company office. Send your letter to Mr. Jim Jones at the telephone company. You will find a form in the Student Response Booklet.

WRAPPING A PACKAGE. To help insure safe delivery of your packages you should wrap your package carefully.

Select the Proper Container

Fiberboard containers are generally strong enough to ship material of average weight and size. These are the common boxes which are readily available in the home, supermarket, hardware store, etc. An "average" parcel may be defined as one which is no more than 34" x 17" x 17" and weighs 25 pounds or less. These are the dimensions normally associated with automated parcel processing.

Fiberboard strength is indicated on the box manufacturers' strength certification printed on the bottom of the box. This certification is usually a round imprint with four numbers noted.



For instance.

Bursting Test	175 lbs. per square inch
Min. Comb. Wt. Facings:	75 lbs. per square inch
Size Limit:	60 inches
Gross Weight Limit:	40 lbs.

The first and last numbers are important in selecting a container for Parcel Post. "Bursting Test" indicates, in pounds per square inch, the ability of the fiberboard to resist rupture or breaking. "Gross Weight Limit" tells you that the box can hold **properly packaged** goods weighing **no more** than the number of pounds indicated. High density items require a stronger box than do average items. We define "high density" items as those which exceed 15 pounds per cubic foot, such as hardware or auto parts.

The following may be used as a guide to fiberboard container selection:

Average Items

Burst Test Strength	Weight Limit
125 lbs.	(up to) 20 lbs.
175 lbs.	(up to) 40 lbs.
200 lbs.	(up to) 65 lbs.
275 lbs.	(up to) 70 lbs.

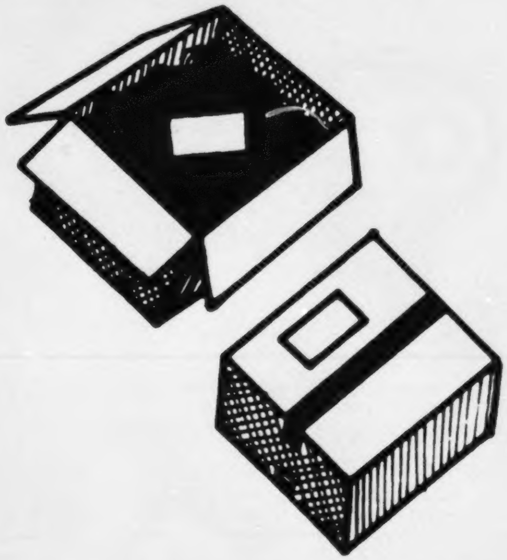
High Density Items

Burst Test Strength	Weight Limit
175 lbs.	(up to) 20 lbs.
200 lbs.	(up to) 45 lbs.
275 lbs.	(up to) 70 lbs.

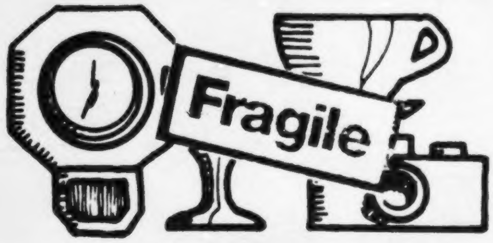
the average large grocery bag may be used if required. Pressure-sensitive, filament-reinforced tape should be used for the closure and reinforcement of parcels whenever possible. Although twine and cord are permitted, it is **preferred** that they not be used as they tend to catch and bind in mail processing equipment.

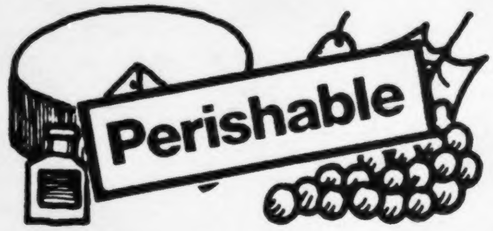
Correct Package Addressing and Marking

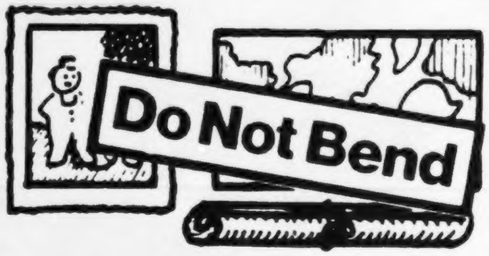
Your parcel should be clearly marked with the address, including ZIP Code, of both sender and receiver. The writing should be in indelible ink or typed on a label and be easily readable at 30 inches (arm's length). It's also a good idea to place a list of the contents plus the name and address of both the sender and the recipient inside the package. This will help in the delivery of the parcel in the event that the outside address becomes illegible.



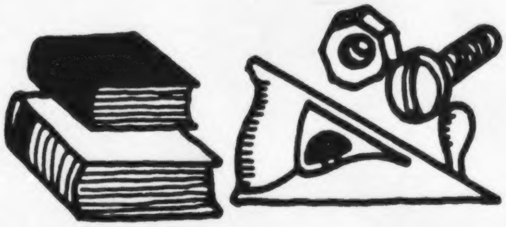
Special markings on the outside of the parcel alert Postal Service employees to the nature of the contents. For instance, parcels containing breakable items should be marked **"Fragile"** in three places, above the address, below the postage and on the reverse side. Those containing foods or other items which may decay should be marked **"Perishable"** in the same locations. Packages containing photographs or similar items should be marked **"Do Not Bend"**, but only if the mailer has protected the items with a stiffening material such as fiberboard. In this instance, it cannot be assumed that the marking in itself will ensure that no damage occurs.



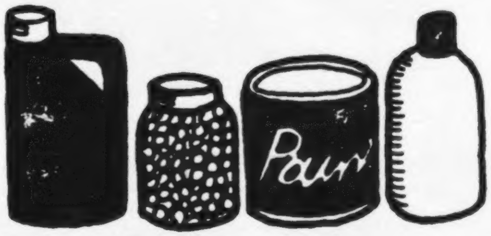


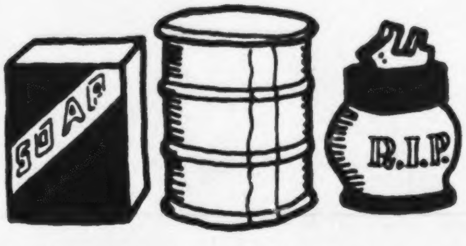


Your post office window clerk has a set of rubber stamps indicating these special markings and will apply them to your parcel on request.



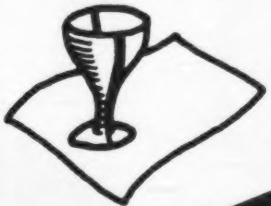
The selection of a container usually depends on the physical characteristics of the item or items to be mailed. Is the object heavy or light, large or small, durable or fragile, solid or liquid, round, square or odd shaped? Besides fiberboard boxes, other acceptable containers include reinforced bags, paperboard boxes, metal cans and tubes, wooden boxes and fiber mailing tubes with metal ends. The container should be large enough to hold the contents plus adequate cushioning to prevent damage, but not so large as to permit shifting or joggling of the contents. Liquids should be sent in leak proof interior and exterior containers. Powders should be packaged in siftproof containers. Items which have an odor should be placed in a container which is impermeable to the contents.

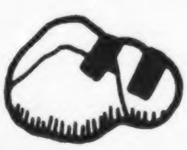


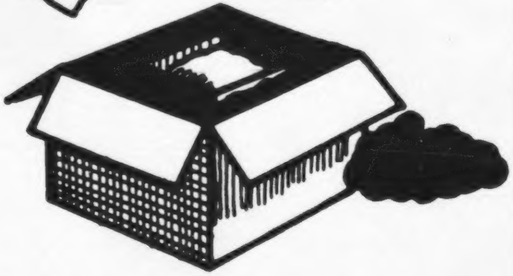


Cushion the Contents

Cushioning distributes and absorbs shocks and vibrations while preventing contents from shifting. When several items are packaged in a container, they should be separated from each other and protected from outside forces. Even single items packed alone should be cushioned for safety.







Heavy items should be securely braced. Many types of suitable cushioning materials are available including polystyrene, shredded or rolled newspaper, "bubble" plastic and fiberboard inserts.

Package Wrapping and Closure

It is **preferred** that wrapping paper be omitted if the box itself is an adequate shipping container. However, wrapping paper equivalent to the strength of

ACTIVITY 9

Directions: Answer the following questions in your Student Response Booklet.

1. You have just finished wrapping a package containing fresh fruit. What should you write on the outside of each package?

2. How can you find out the 'Burst Test' strength of a fiberboard box?
3. Name two types of material that can easily be used for cushioning the contents of a package.
4. What is the best thing to use to seal your package?
5. What should you use to write the address and return address on your packages? How large should the printing be?
6. The post office suggests that you always place a list inside any package in case it gets wet or damaged in the mail. What should you write on this list?

WHEN YOU MOVE. If you move, you should go to your post office and get kit 8A. This is a change of address kit. It will help you receive your mail at your new address. As soon as you know your new address, fill out the cards that come in the kit, and take or send them to your post office. You will start getting your mail at your new address starting on the date you specify. You should include your new zip code on these cards. If you don't know it, you can get it from your post office.

It is important to notify anyone from whom you expect to receive mail, that you have a new address. It is especially important to notify any newspapers or magazines to which you subscribe. Check the list. You might find some you have forgotten.

Make sure you let everyone know about your move.

- ☐ Accountants
- ☐ Auto Insurance
- ☐ Banks
- ☐ Book Clubs
- ☐ Catalogue Companies
- ☐ Charge Cards
- ☐ Children's Camps
- ☐ Lawyers
- ☐ Life Insurance Companies
- ☐ Magazines
- ☐ Motor Vehicle Bureau
- ☐ Newspapers
- ☐ Post Office
- ☐ Record Clubs
- ☐ Dentists
- ☐ Department Stores
- ☐ Dividend Checks
- ☐ Doctors
- ☐ Electric Company
- ☐ Friends, Relatives
- ☐ Gas Company
- ☐ Religious Groups
- ☐ Schools
- ☐ Service Station
- ☐ Stockbroker
- ☐ Telephone Company
- ☐ Union
- ☐ Voter Registration

It is illegal to send certain items through the U.S. Mail. Read the information called:

Mailing Hazardous and Illegal Items.

Mailing Hazardous and Illegal Items

It is illegal to send through the U.S. Mail any article, composition or material which may kill or injure another person, or injure the mail or other property. Harmful matter includes, but is not limited to:

- All kinds of poison or matter containing poison
- All poisonous animals, most poisonous insects, all poisonous reptiles, and all kinds of snakes
- All disease germs or scabs
- Narcotics and other **controlled substances** as defined by Federal law and related Federal regulations
- All explosives, flammable material, dangerous machines, and mechanical, chemical or other devices or compositions which may catch fire or explode

There are also strong legal restrictions on the mailing of radioactive material, firearms, knives and sharp instruments. Certain potentially harmful or dangerous articles and substances may be mailed if special packaging and labeling requirements are met. Contact your local postmaster for information regarding the legality or safety of mailing any particular item.

ACTIVITY 10

In your Student Response Booklet there are two change of address forms. One is for the postmaster. One is to send to people from whom you expect to receive mail.

On the front side of the TO POSTMASTER CARD write the city and state for your post office. On the back of the TO POSTMASTER CARD you must provide all information.

On the change of address card for correspondents, businesses and publishers, you write **their** name and address on the front side of the card. On the back side of the card you must provide all information.

UNORDERED MERCHANDISE. Have you ever received merchandise in the mail that you did not order? Most people have had this happen to them at some time. This problem caused Congress to pass certain laws against the mailing of most unordered merchandise. There are only two kinds of merchandise that can be sent legally through the mail to a person without his/her agreement.

They are:

1) Free samples that are clearly and plainly marked as free.
2) Merchandise mailed by a charitable organization that is asking for a contribution.

In either case, you may consider the merchandise a gift.

If you receive unordered merchandise of any kind by mail, you may take it as a gift. **You do not have to pay for it or return it.** It is illegal for the person or firm sending it to you to bill you for it.

If you receive unordered or unwanted merchandise by a private delivery service, not through the U.S. Mail), you should take the following steps:

1) Notify the sender, in writing, that you do not want the merchandise.
2) Include in your letter a request that the sender either pick up the merchandise or arrange to have it returned at **his** expense.
3) Tell the sender that you are giving him 30 days in which to do this.
4) Tell the sender that after 30 days, you reserve the right to dispose of the unordered merchandise in any way you see fit.

Keep copies of your letters. You should also contact the Federal Trade Commission and your local consumer protection agency, or the attorney general's office in your state. The address of the Federal Trade Commission is:

Federal Trade Commission
6th St. & Pennsylvania Ave., N.W.
Washington, D.C. 20580

DID YOU KNOW THAT

- you may apply for a passport at many post offices?
- lockbox and caller services are provided n many post offices?
- money orders may be purchased and sent at your post office for amounts up to $400.00?
- many post offices have duplicating equipment for customer use?

- you can purchase stamp collecting kits, books about stamp collecting, and commemorative stamps at the post office?
- you can't exchange postage stamps unless they were defective when you purchased them, or you bought the wrong ones and you return them within 48 hours.
- you should have enough postage on a letter before mailing it? Mail with no postage will be returned to the sender.
- certain mail for the blind and other handicapped persons may be mailed free? Your local postmaster can explain the restrictions for this service.

WHAT TO DO WHEN YOU HAVE A POSTAL PROBLEM. When you have a problem with your mail service complete a **Consumer Service Card.** This card can be filled out at your local post office.

If your problems cannot be solved by your local post office, then you should write the Consumer Advocate at the following address:

The Consumer Advocate
U.S. Postal Service
Washington, D.C. 20260
Telephone: 1-202-245-4514

ACTIVITY 11

In your Student Response Booklet, write the name, address and phone number of the place you should contact if you have trouble with your mail service.

KINDS OF MAIL AND PACKAGE DELIVERY SERVICES. There are many different kinds of mail and package delivery services other than the U.S. Postal Service. Some of these are:

1) independent postal services (example: U.P.S. — United Parcel Service)
2) trucking companies
3) cartage companies
4) messenger services
5) air freight
6) bus companies

Most things we send can be sent through the U.S. Postal Services. However, there may be times when it is better to use one of the above types of delivery services. Your choice of which type of service to use will depend upon several things: size, weight, speed, distance and area served and cost.

Size.

Most independent postal services will only accept mail about the same size as the U.S. Postal Service. Trucking companies, cartage companies and air freight have few restrictions. Bus companies have a weight limit. Messenger services are usually used for small packages or paper work and for security purposes.

Weight.

U.S. postal services, independent postal services and bus usually limit weight to 50 lbs. Trucking companies, cartage companies and air lines have few restrictions. Messenger services handle only small packages or paper work.

Speed.

The speed of delivery varies for each service, depending on size, weight and destination.

Distance and Area served.

This will vary greatly. Some services are world and nationwide, some are in-state only, and some are able to deliver only to particular areas.

Cost.

The cost will depend on the item. Air freight is usually the most costly, but is usually the fastest way to send a large item.

ACTIVITY 12

For this activity, you will choose one of the delivery services to send one of the items listed:

a box weighing 75 lbs.
a box weighing 30 lbs.
a box weighing 55 lbs.
a package weighing 10 lbs.
a package weighing 2 lbs.

After you have selected the item, call the delivery service of your choice. Check on size, weight, speed, area served and cost. Write your answers in the Student Response Booklet.

SENDING MONEY. If there is no hurry, most people send money through the U.S. Postal Services. You should never send cash through the mail. Money sent through the mail should be n the form of a personal check or a money order. Money orders are available at your local post office, most large grocery stores and banks. There is a small fee.

If you need to send money quickly, the best way to send it is through Western Union, (Telegraph Service). This is sometimes called "wiring" money. If this should happen when you are away from relatives or friends who can help you, you should do the following:

1) Find the address and phone number of closest Western Union Office.
2) Call the office and find the hours they are open.
3) Call your relative or friend (long distance) and give them the address and phone number of the Western Union Office nearest you. You will also need to decide on a code phrase or word (it could be a birthdate), known only by you and your relative or friend. This will identify you as the right person to receive the money.
4) Go to the Western Union Office as soon as it is open and your money should be available to you.

ACTIVITY 13

In your Student Response Booklet, list the address and phone number of the Western Union Office closest to you.

STUDENT RESPONSE BOOKLET

CE—21
MAIL AND PACKAGE DELIVERY SERVICES

NAME ____

DATE ____________________

ACTIVITY 1

Circle the right answer.

1) A sealed letter is sent by:
   a. first class mail
   b. second class mail
   c. third class mail
   d. fourth class mail
2) Parcel Post is the same as:
   a. first class mail
   b. second class mail
   c. third class mail
   d. fourth class mail
3) Third Class Mail is:
   a. sent in a sealed envelope
   b. sent in an envelope that is not sealed
4) The cost for mailing something by parcel post is determined by:
   a. the size of the package
   b. the weight of the package
   c. the way the package is wrapped

Match the following with the correct name. Write your answers in the Student Response

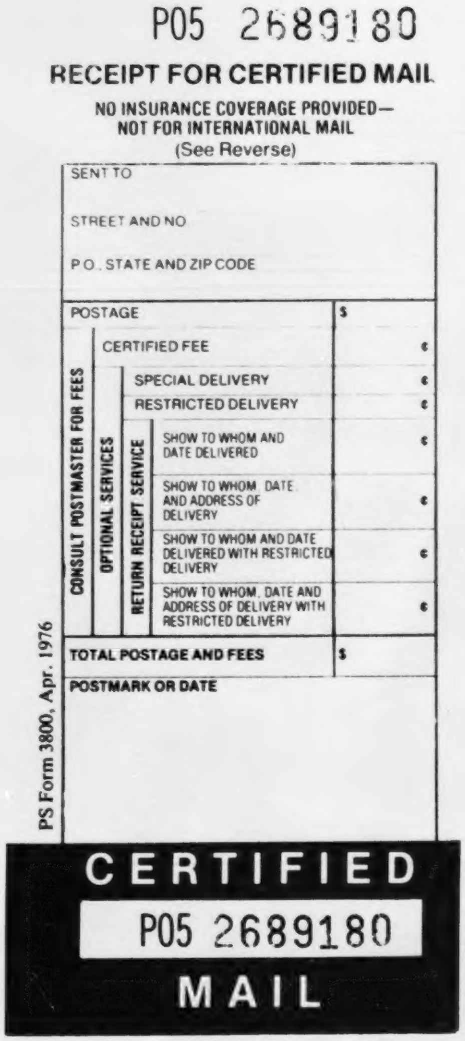
5) first class mail	a. A newspaper or magazine sent by a business in an unsealed envelope.
6) second class mail	b. A package that weighs over 16 ounces.
7) third class mail	c. It weighs less than 13 ounces and is sent in a sealed envelope.
8) fourth class mail	d. Items weighing 15 ounces and mailed in unsealed envelope.

Check your answers with the Answer Key on the last page of the packet.

ACTIVITY 2

The following forms are copies of some of the most used postal forms. Fill them out. If you are not told what name and address to use, make one up. If you have trouble with these, ask your teacher for help.

READ THIS FIRST



P05 2689180

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO

STREET AND NO

P.O., STATE AND ZIP CODE

POSTAGE				$
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE			¢
	OPTIONAL SERVICES	SPECIAL DELIVERY		¢
		RESTRICTED DELIVERY		¢
		RETURN RECEIPT SERVICE	SHOW TO WHOM AND DATE DELIVERED	¢
			SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
			SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
			SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES				$

POSTMARK OR DATE

PS Form 3800, Apr. 1976

CERTIFIED
P05 2689180
MAIL

STICK POSTAGE STAMPS TO ARTICLE TO COVER FIRST CLASS POSTAGE. CERTIFIED MAIL FEE, AND CHARGES FOR ANY SELECTED OPTIONAL SERVICES. (see front)

1. If you want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, **leaving the receipt attached**, and present the article at a post office service window or hand it to your rural carrier. (no extra charge)
2. If you do not want this receipt postmarked, stick the gummed stub on the left portion of the address side of the article, date, detach and retain the receipt, and mail the article.
3. If you want a return receipt, write the certified-mail number and your name and address on a return receipt card, Form 3811, and attach it to the front of the article by means of the gummed ends if space permits. Otherwise, afix to back of article. Endorse front of article **RETURN RECEIPT REQUESTED** adjacent to the number.
4. If you want delivery restricted to the addressee, or to an authorized agent of the addressee, endorse RESTRICTED DELIVERY on the front of the article.
5. Enter fees for the services requested in the appropriate spaces on the front of this receipt. If return receipt is requested, check the applicable blocks in Item 1 of Form 3811.
6. Save this receipt and present it if you make inquiry.

UNITED STATES POSTAL SERVICE
OFFICIAL BUSINESS

PENALTY FOR PRIVATE
USE TO AVOID PAYMENT
OF POSTAGE, $300

U.S.MAIL

SENDER INSTRUCTIONS

Print your name, address, and ZIP CODE in the space below.
- Complete items 1, 2, and 3 on the reverse.
- Moisten gummed ends and attach to front of article if space permits. Otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN TO

(Name of Sender)

(Street or P.O. Box)

(City, State, and ZIP Code)

PS Form 3811, Aug. 1978

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, and 3.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
☐ Show to whom and date delivered ______¢
☐ Show to whom, date, and address of delivery ______¢
☐ RESTRICTED DELIVERY
Show to whom and date delivered ______¢
☐ RESTRICTED DELIVERY.
Show to whom, date, and address of delivery $______
(CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent

4.

DATE OF DELIVERY

POSTMARK

5. ADDRESS (Complete only if requested)

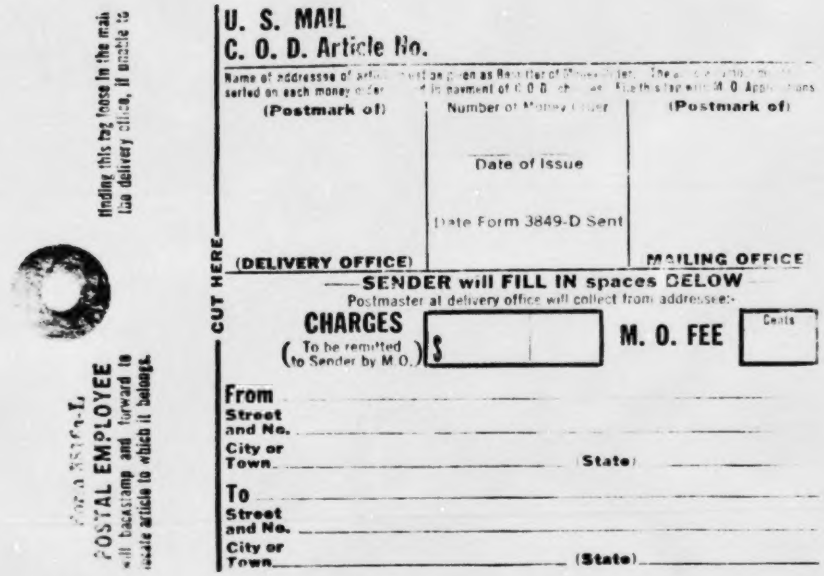
6. UNABLE TO DELIVER BECAUSE:

CLERK'S INITIALS

☆ GPO: 1978-272-382

A tag must be filled out when an item is sent C.O.D. The tag has two sides to fill out. The sender must fill out most of the information. The person who receives the item must sign his/her name on the back of the tag.

FRONT



Form 3816-L

POSTAL EMPLOYEE finding this tag loose in the mail will backstamp and forward to the delivery office, if unable to locate article to which it belongs.

CUT HERE

U. S. MAIL

C. O. D. Article No.

Name of addressee of article must be given as Remitter of Money Order. The [illegible] inserted on each money order [illegible] in payment of C.O.D. charges. File this tag with M.O. Applications

(Postmark of)	Number of Money Order	(Postmark of)
	Date of Issue	
	Date Form 3849-D Sent	
(DELIVERY OFFICE)		MAILING OFFICE

SENDER will FILL IN spaces BELOW

Postmaster at delivery office will collect from addressee:-

CHARGES (To be remitted to Sender by M.O.) $ **M. O. FEE** Cents

From

Street and No.

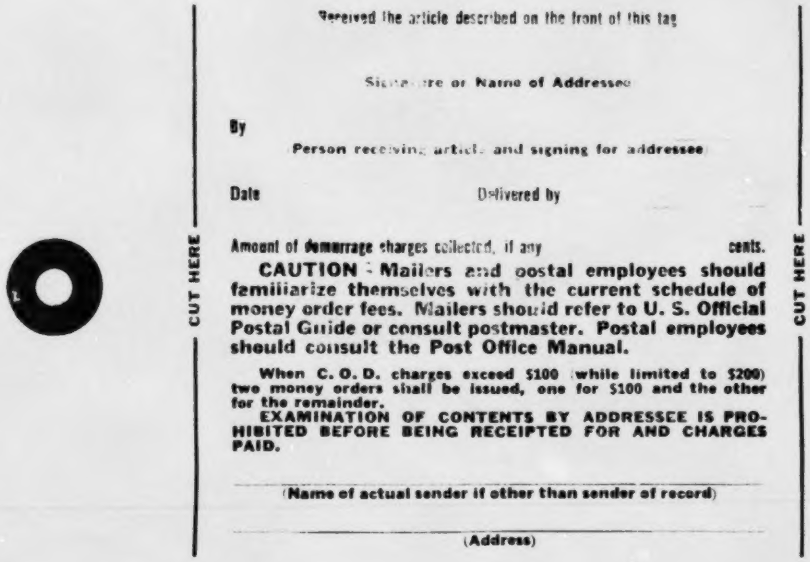
City or Town **(State)**

To

Street and No.

City or Town **(State)**

BACK



CUT HERE

Received the article described on the front of this tag

Signature or Name of Addressee

By

Person receiving article and signing for addressee

Date Delivered by

Amount of demurrage charges collected, if any cents.

CAUTION - Mailers and postal employees should familiarize themselves with the current schedule of money order fees. Mailers should refer to U. S. Official Postal Guide or consult postmaster. Postal employees should consult the Post Office Manual.

When C. O. D. charges exceed $100 (while limited to $200) two money orders shall be issued, one for $100 and the other for the remainder.

EXAMINATION OF CONTENTS BY ADDRESSEE IS PROHIBITED BEFORE BEING RECEIPTED FOR AND CHARGES PAID.

(Name of actual sender if other than sender of record)

(Address)

CUT HERE

ACTIVITY 3

Directions: Put the letter of the correct description below:

1. ______ REGISTERED MAIL
2. ______ INSURED MAIL
3. ______ CERTIFIED MAIL
4. ______ RETURN RECEIPT
5. ______ C.O.D. MAIL

ACTIVITY 4

Find the information about the post office nearest your home.

Address: ______________________________

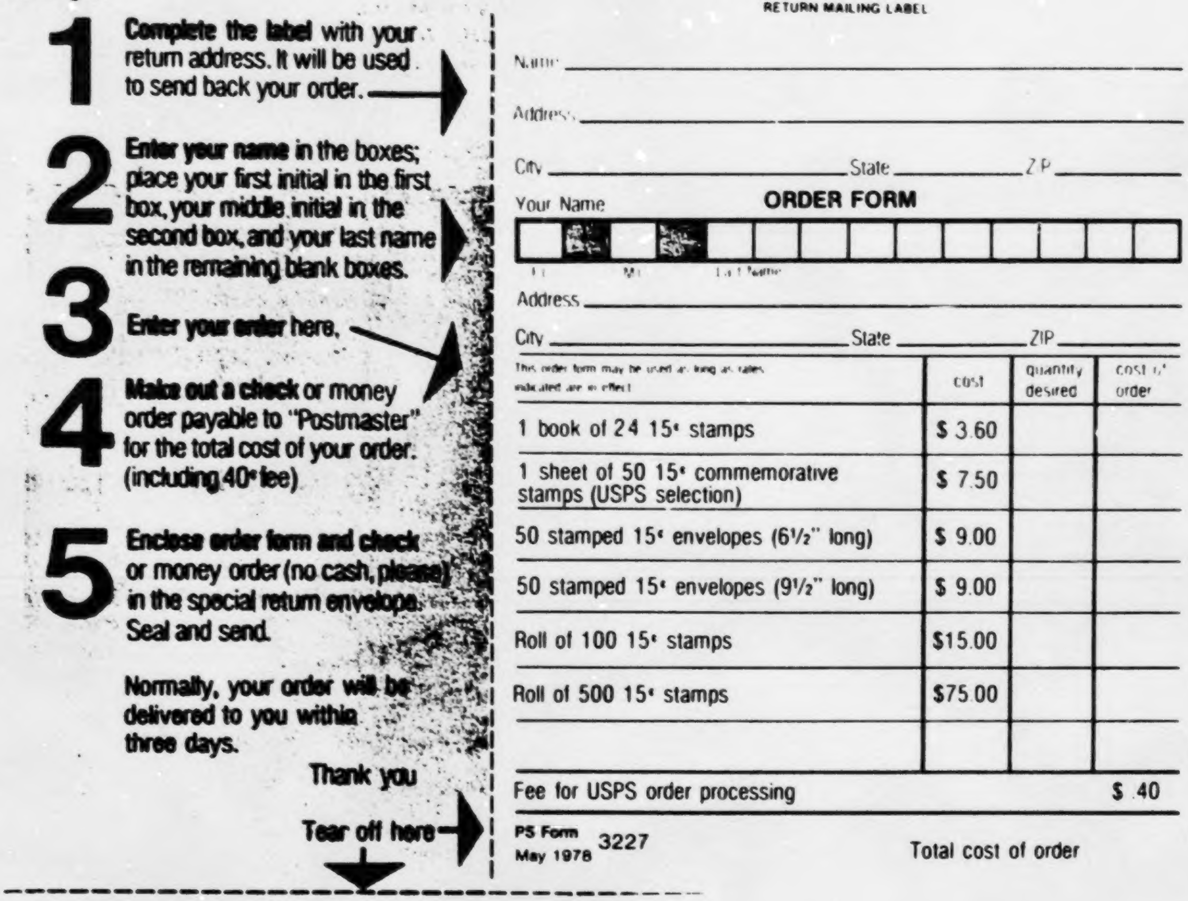
Phone: ________________________________

ACTIVITY 5

1. a. The smallest acceptable size is:
   ____
   b. The shape is: ____________________
2. a. Cost: ______ b. Cost: ______ c. Cost: ______
3. a. Cost: ______ b. Cost: ______
4. Cost: __________
5. a. Cost: ______ b. Cost: ______
6. The fee will be: ____________________
   The fee for special handling is: ________
   The total fee will be: ________________
7. The cost for sending the money order is:
   ____
   You will give the postmaster: ________
8. The cost will be: ____________________
9. To send a package C.O.D. you should . . .
   ____
   ____
10. The cost for postage is: ______________
    The cost for certification is: __________
    The total cost is: ____________________
11. The fee for the return receipt is: ________
    Your change will be: ________________
12. The cost for postage is: ______________
    The cost for insurance is: ____________
    The total cost is: ____________________
    Yes ____ No ____ How much: __________
13. The cost to register it will be: ________
14. The cost for postage will be: __________

ACTIVITY 6

Directions: One of the ways you can get stamps is through the mail. Complete the form below as if you were ordering a roll of 15¢ stamps:



1 **Complete the label** with your return address. It will be used to send back your order.

2 **Enter your name** in the boxes; place your first initial in the first box, your middle initial in the second box, and your last name in the remaining blank boxes.

3 **Enter your order here.**

4 **Make out a check** or money order payable to "Postmaster" for the total cost of your order. (including 40¢ fee)

5 **Enclose order form and check** or money order (no cash, please) in the special return envelope. Seal and send.

Normally, your order will be delivered to you within three days.

Thank you

Tear off here

RETURN MAILING LABEL

Name ______________________________

Address ______________________________

City ______________ State __________ ZIP __________

ORDER FORM

Your Name

FI MI Last Name

Address ______________________________

City ______________ State __________ ZIP __________

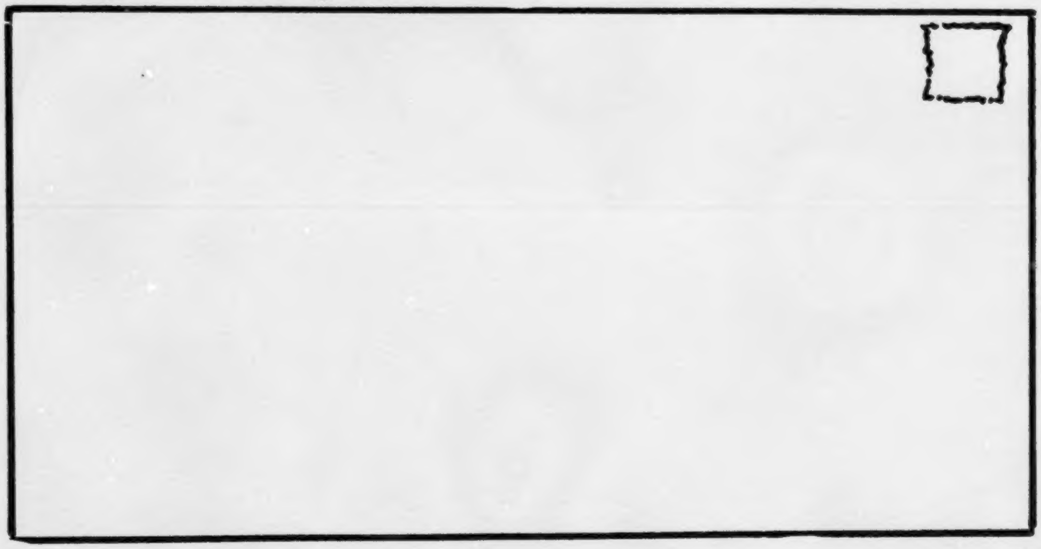
This order form may be used as long as rates indicated are in effect	cost	quantity desired	cost of order
1 book of 24 15¢ stamps	$ 3.60		
1 sheet of 50 15¢ commemorative stamps (USPS selection)	$ 7.50		
50 stamped 15¢ envelopes (6½" long)	$ 9.00		
50 stamped 15¢ envelopes (9½" long)	$ 9.00		
Roll of 100 15¢ stamps	$15.00		
Roll of 500 15¢ stamps	$75.00		
Fee for USPS order processing			$ .40

PS Form 3227
May 1978

Total cost of order

ACTIVITY 7

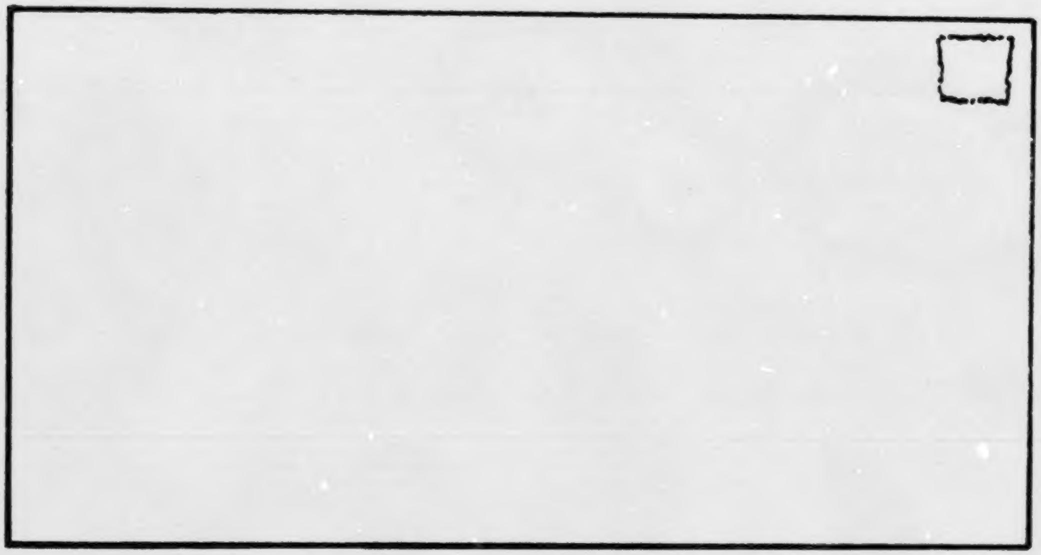
Directions: Address the envelope below:



500

ACTIVITY 8

Directions: Address the envelope below:



ACTIVITY 9

Write your answers below:

1. a. ______________________________

   b. ______________________________

2. ______________________________

   ____

3. 1. ______________________________

   2. ______________________________

4. ______________________________

5. ______________________________

6. ______________________________

ACTIVITY 10

Fill in the following forms:

1) To POSTMASTER:

FRONT

Use this Change of Address card to notify your present Postmaster.

Affix
First Class
Postage
Here

POST OFFICE

To POSTMASTER

City

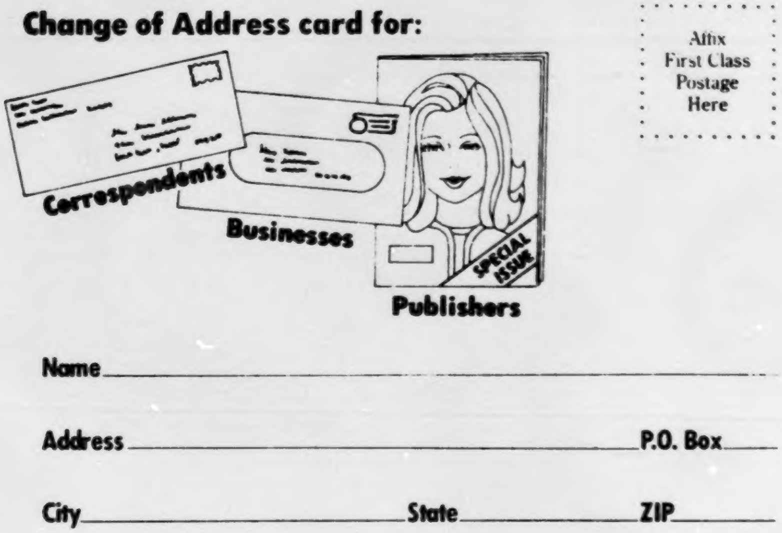
State ZIP

BACK

THIS ORDER PROVIDES for the forwarding of first-class mail and all parcels of obvious value for a period not to exceed 1 year.		Print or Type *(Last Name, First Name, Middle Initial)*	
CHANGE OF ADDRESS IS FOR	☐ Entire Family ☐ Individual Signer Only	Old Address	No. and St., Apt., Suite, P.O. Box or R.D. No. (In care of)
			Post Office, State and ZIP Code
90 DAYS FORWARDING POSTAGE GUARANTEED FOR MAGAZINES	☐ YES ☐ NO	New Address	No. and St., Apt., Suite, P.O. Box or R.D. No. (In care of)
			Post Office, State and ZIP Code
CLERK/ CARRIER ENDORSEMENT		Effective Date	If Temporary, Expiration Date
DATE ENTERED **DO NOT WRITE INSIDE BOLD LINE**		Sign Here ▶	Date Signed
		Signature & title of person authorizing address change. (Do NOT print or type)	

2) Correspondents, businesses, publishers or other people from whom you expect to receive mail.

FRONT


Correspondents
Businesses
Publishers
SPECIAL ISSUE

Change of Address card for:

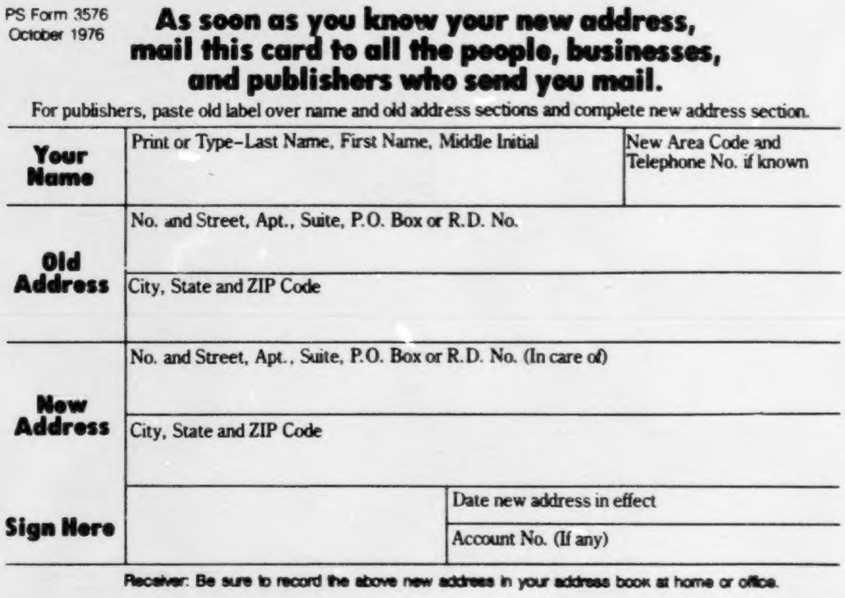
Affix
First Class
Postage
Here

Name____

Address________________________________**P.O. Box**_____

City____________________**State**__________**ZIP**_______

BACK



PS Form 3576
October 1976

As soon as you know your new address, mail this card to all the people, businesses, and publishers who send you mail.

For publishers, paste old label over name and old address sections and complete new address section.

Your Name	Print or Type–Last Name, First Name, Middle Initial	New Area Code and Telephone No. if known
Old Address	No. and Street, Apt., Suite, P.O. Box or R.D. No.	
	City, State and ZIP Code	
New Address	No. and Street, Apt., Suite, P.O. Box or R.D. No. (In care of)	
	City, State and ZIP Code	
Sign Here		Date new address in effect
		Account No. (If any)

Receiver: Be sure to record the above new address in your address book at home or office.

ACTIVITY 11

Write the name, address and phone number of the place you should contact if you have trouble with your mail service.

Name ______________________________

Address ____________________________

____

Telephone Number ____________________

ACTIVITY 12

Write the information about the item you have selected.

ACTIVITY 13

List the address and phone number of the Western Union Office closest to you.

____

____

____

____

ANSWER KEY

CE-21

MAIL AND PACKAGE DELIVERY SERVICES

ACTIVITY 1

Directions: Multiple Choice

1. a
2. d
3. b
4. b

Directions: Match the meanings:

1. c
2. a
3. d
4. b

ACTIVITY 2

Answers will vary.

ACTIVITY 3

Directions: Put the letter of the correct description below:

D REGISTERED MAIL
A INSURED MAIL
E CERTIFIED MAIL
B RETURN RECEIPT
C C.O.D. MAIL

ACTIVITY 4

Answers will vary.

ACTIVITY 5

1. a. The smallest acceptable size is 3½" x 5"
   b. The shape is rectangular
2. a. Cost 15¢
   b. Cost 41¢
   c. Cost 10¢
3. a. Cost 10¢
   b. Cost 16¢ or lower
4. a. Cost 53¢
5. a. Cost $3.35
   b. Cost $7.82
   c. Cost $11.49
6. a. The fee will be $1.96
   The fee for special handling is .70¢
   The total fee will be $2.66
7. The cost for sending the money order is .80¢
   You will give the postmaster $11.30 ($10.50 + .80¢)
8. The cost will be $2.80
9. To send a package C.O.D. you should . . .
   Talk to your local postmaster
10. The cost for postage is .79¢
    The cost for certification is .80¢
    The total cost is $1.59
11. The fee for the return receipt is .55¢
    Your change will be $9.17 ($10.00 - .83¢)
12. The cost for postage is $2.44
    The cost for insurance is .85¢
    The total cost is $3.29
    Yes ___ No ___ How much $50.00
13. The cost to register it will be $3.00
14. The cost for postage will be $8.74

ANSWERS FOR THESE QUESTIONS COULD VARY WITH INCREASED POSTAL RATES.

ACTIVITY 6

1 book of 24 15¢ stamps =	$3.60
Fee for USPS order processing	.40
Total cost of order	$4.00

ACTIVITY 7

Answers will vary.

ACTIVITY 8

Answers will vary.

ACTIVITY 9

Directions: Write your answers below.

1. a. Fragile
   b. Perishable
2. Look on the bottom of the box. The first number should tell the burst test strength.

ACTIVITY 13

Address and phone number of the Western Union Office closest to you.

3. 1. Bubble plastic
   2. Shredded or rolled newspapers
4. Pressure sensitive reinforced tape
5. Indelible ink or typewritten on a label. Able to be read at your arm's length.
6. The contents, your name and address, and the name and address of who is receiving the package.

ACTIVITY 10

1) Answers will vary.

2) Answers will vary.

ACTIVITY 11

The Consumer Advocate
U.S. Postage Service
Washington, D.C. 20260

Telephone: 1-202-245-4514

ACTIVITY 12

Answers will vary.